

**ASSISTANCE AGREEMENT**  
**CDFI PROGRAM and NACA PROGRAM**  
**COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND**

**NOTE:**

The attached document is the Assistance Agreement form that the CDFI Fund will enter into with each awardee that receives an award through the FY 2006 CDFI Program (including the Financial Assistance Component and/or the Technical Assistance Component) and the Native American CDFI Assistance Program.

The attached form document is provided for illustrative purposes only and should not be revised or relied on.

The CDFI Fund will tailor the form document to the specific terms of each award. For example, the final Assistance Agreement (that an awardee will sign) will include only those schedules noted on the third page of the cover form that are checked as applicable. Also, the schedules that relate to reporting and performance goals will be tailored to the specific award.

# COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

## ASSISTANCE AGREEMENT

<b>Awardee:</b>	<b>CDFI Fund Award Number:</b> <b>DUNS Number:</b> <b>Employer Identification Number:</b>
<b>Address:</b>	
<b>Applicable Program:</b> <b>Date of Applicable NOFA:</b>	<b>Date of Notice of Award:</b>
By signing this Assistance Agreement and in consideration of the mutual covenants, conditions and agreements hereinafter set forth, the parties hereto, by their respective Authorized Representatives, agree to the following: (i) the award of Assistance hereunder shall be administered pursuant to the General Award Terms and Conditions, attached hereto as Schedule 1 and made a material part hereof; and (ii) the award of Assistance shall be further subject to the provisions, terms, conditions, requirements, certifications and representations set forth in all such additional schedules as are indicated by the Checklist of Schedules, below, which are attached hereto and constitute a material part hereof. In witness whereof, the parties hereto do hereby execute and enter into this Assistance Agreement.	
<b>Community Development Financial Institutions Fund</b>  By: _____ Authorized Representative: _____ Title: Deputy Director for Policy and Programs	<b>Awardee</b>  By: _____ Authorized Representative: _____ Title: _____

<b>Effective Date:</b>	<b>Termination Date:</b> <sup>1</sup>
<b>Awardee Information</b>	
<b>Entity Type:</b>	<b>Jurisdiction of Formation:</b>
<b>CDFI Certification Status:</b>	<b>CDFI Certification Expiration Date:</b>
<b>Assistance</b>	
<b>Total Assistance: \$</b>	
<b>Total Financial Assistance: \$</b>	
Grant: \$	Loan: \$
Secondary Capital: \$	Deposit: \$
<b>Total Technical Assistance: \$</b>	<b>Equity Investment: \$</b>
	<b>Amount of Initial Financial Assistance Disbursement: \$</b>
	<b>Amount of Initial Technical Assistance Disbursement: \$</b>

<sup>1</sup> If the conditions set forth in Section 7.11 have not been met on this date, the Assistance Agreement will continue to be effective until the Fund determines, in its sole discretion, that such conditions have been met, or such other time established by the Fund in writing.

## **INSTRUCTIONS FOR COMMUNICATING WITH THE FUND**

### **1. MyCDFIFund.**

- (a) The Awardee must establish an account through the myCDFIFund interface at the Fund's website at [www.cdfifund.gov](http://www.cdfifund.gov). This interactive tool serves as the primary mode of communication between the Fund and the Awardee including, but not limited to, the maintenance of up-to-date organizational information and the submission of certain information required by this Assistance Agreement.
- (b) Through its myCDFIFund account, the Awardee must maintain complete and current information including, but not limited to, Employer Identification Number (EIN), e-mail and other contact information for the Awardee, its Authorized Representative, Contact Person, fiscal year end and information regarding all Subsidiaries and Affiliates.
- (c) If all or any portion of the Assistance is transferred to any Subsidiary or Affiliate, said Subsidiary or Affiliate must establish its own myCDFIFund account.
- (d) The Awardee must follow the instructions on the myCDFIFund Help page in order to provide updated information and request changes in the myCDFIFund account of the Awardee and each of its Subsidiaries or Affiliates.

### **2. Fund Communications.** As needed, the Fund generally will contact and provide notices to the Awardee's Authorized Representative and Contact Person via e-mail, using the addresses provided by the Awardee through the respective myCDFIFund account. If other means of communication are necessary or appropriate, the Fund will use the contact information (such as telephone numbers, delivery addresses, facsimile numbers) provided by the Awardee through the respective myCDFIFund account. It is the Awardee's responsibility to ensure that its Subsidiary(ies) and/or Affiliate(s), if any, receive such Fund messages, if applicable.

### **3. Awardee Communications.**

- (a) **Information to be submitted via facsimile, mail or e-mail.** The Awardee (and each Subsidiary or Affiliate, as applicable) must submit the following to the Fund's Grants Management Unit:
  - Financial Report (see Schedule 6-A) [or through CIIS]
  - Financial Status Report (Schedule 7-B)
  - Uses of Financial Assistance and Matching Funds Report (Schedule 7-C)
  - Explanation of Noncompliance (Schedule 7-D)
  - Shareholders Report (Schedule 7-E)
  - Uses of Technical Assistance Report (Schedule 7-F)
  - Requests for disbursement
  - Requests for Assistance Agreement amendments
- (b) **Information to be submitted through CIIS, which the Awardee will access through its myCDFIFund account.** The Awardee (and each Subsidiary or Affiliate, as applicable) must submit the following to the Fund via the respective myCDFIFund account:
  - Institution Level Report (see Schedule 6-A)
  - Transaction Level Report (see Schedule 6-A)

**All communication by the Awardee to the Fund must include the CDFI Fund's Award Number (found on the first page of this Assistance Agreement) and the Awardee's Employer Identification Number (EIN).**

<b>Checklist of Schedules:</b> This Assistance Agreement comprises the following documents (checked as applicable) that are hereby incorporated by reference to the same extent as if fully set forth herein:			
Award Summary; Instructions for Communicating with the Fund	<b>X</b>		
1. General Award Terms and Conditions	<b>X</b>	9-A. Representations and Warranties: Loan	
2-A. Opinion of Counsel		9-B. Promissory Note	
2-B. Certificate of the Secretary; Certificate of Good Standing		9-C. Loan Repayment Schedule	
3-A. Authorized Uses of Matching Funds		9-D. Pre-Authorized Debit Payment Instructions: Loans	
3-B. Certification of Matching Funds		9-E. Other Loan Documentation	
3-C. Matching Funds Analysis			
4. Subsidiaries and Affiliates		10-A. Representations and Warranties: Equity Investment	
5-A. Authorized Uses of Technical Assistance		10-B. Stock Certificate	
5-B. Authorized Uses of Financial Assistance		10-C. Articles of Incorporation	
6-A. Annual Report		10-D. Bylaws	
6-B. Annual Report Submission Deadlines		10-E. Capitalization	
7-A. Performance Goals Report		10-F. Options and Warrants	
7-B. Financial Status Report, SF-269-A		10-G. Shareholder List	
7-C. Uses of Financial Assistance and Matching Funds Report		10-H. Pre-Authorized Debit Payment Instructions: Certificates of Deposit; Secondary Capital; Other Equity Investments	
7-D. Explanation of Noncompliance		10-I. Other Equity Investment/Secondary Capital Documentation	
7-E. Annual Report: Shareholder Report		11. Terms and Conditions related to Regulated Institutions	
7-F. Uses of Technical Assistance Report		12. Automated Clearinghouse (ACH) form	
8. Subsequent Disbursements; Certification of Performance/ Representations & Warranties			

---

**Schedule 1**

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

---

---

**GENERAL AWARD TERMS AND CONDITIONS**

---

## TABLE OF CONTENTS

I.	Incorporation by Reference.....	1
II.	Definitions.....	1
	2.1 Act.....	1
	2.2 Advance .....	1
	2.3 Affiliate.....	1
	2.4 Application.....	1
	2.5 Assistance.....	1
	2.6 Assistance Agreement.....	1
	2.7 Closing.....	1
	2.8 Community Development Financial Institution.....	2
	2.9 CDFI Fund .....	2
	2.10 Community Development Financial Institutions Program.....	2
	2.11 Community Development Financial Institutions Program Regulations.....	2
	2.12 Comprehensive Business Plan.....	2
	2.13 Effective Date .....	2
	2.14 Financial Assistance.....	2
	2.15 Financial Assistance Component .....	2
	2.16 Hot Zone .....	3
	2.17 Insider.....	3
	2.18 Investment Area.....	3
	2.19 Low-Income.....	3
	2.20 Matching Funds.....	3
	2.21 Material Event.....	3
	2.22 Material Weakness.....	3
	2.23 myCDFIFund .....	3
	2.24 Native Community .....	3
	2.25 Native CDFI .....	3
	2.26 Native American CDFI Assistance Program.....	3
	2.27 Notice of Funds Availability.....	4
	2.28 Performance Goals .....	4
	2.29 Performance Period .....	4
	2.30 Program Income.....	4
	2.31 Promissory Note.....	4
	2.32 Subsidiary.....	4
	2.33 Target Market.....	4
	2.34 Targeted Population.....	4
	2.35 Technical Assistance.....	4
	2.36 Technical Assistance Component .....	5
	2.37 Tribal Government.....	5
III.	The Assistance; Closings; Disbursements; Fund Receipt of Loan Payments,	

	Investment Income and Equity Redemptions; Program Income.....	5
3.1	The Assistance.....	5
3.2	Closings.....	5
3.3	Disbursements.....	6
3.4	Fund Receipt of Loan Repayments, Interest Earned on Deposits, Investment Income and Equity Investment Redemptions .....	7
3.5	Authorized Uses of Program Income.....	8
3.6	Restrictions on the Use of Program Income.....	8
IV.	Representations and Warranties.....	8
4.1	Organization, Standing and Powers.....	8
4.2	Qualification.....	8
4.3	Authorization; Consents.....	9
4.4	Execution and Delivery; Binding Agreement.....	9
4.5	No Conflicts.....	9
4.6	Litigation.....	9
4.7	Compliance with Other Instruments.....	9
4.8	Disclosure.....	9
4.9	Taxes; Debts; Bankruptcy.....	10
4.10	Debarment, Suspension and Other Responsibility Matters.....	10
4.11	Status as a CDFI.....	10
V.	Covenants and Agreements of the Awardee.....	11
5.1	Compliance with Government Requirements.....	11
5.2	Fraud, Waste, and Abuse.....	11
5.3	Right to Inspect and Audit.....	11
5.4	Retention of Records.....	11
5.5	General Data Collection.....	12
5.6	Equal Credit Opportunity Act.....	12
5.7	Certain Insider Activities.....	12
5.8	Obtain/Maintain CDFI Certification; Maintain Status as an Insured Credit Union, Depository Institution Holding Company or Insured Depository Institution .....	12
5.9	Advise the Fund of Certain Material Events.....	12
5.10	Tracking Use of Assistance, Matching Funds and Interest Earned on Advances .....	13
VI.	Events of Default and Remedies.....	14
6.1	Events of Default.....	15
6.2	Sanctions.....	16
6.3	No Waiver.....	16
6.4	Notice of Default; Time to Cure.....	16
VII.	Miscellaneous.....	17

7.1	Entire Agreement.....	17
7.2	Assignment.....	17
7.3	Successors.....	17
7.4	Severability.....	17
7.5	Applicable Law.....	18
7.6	Disclaimer of Relationships.....	18
7.7	Counterparts.....	18
7.8	Headings.....	18
7.9	Amendments.....	18
7.10	Survival of Representations and Warranties.....	19
7.11	Termination.....	19
7.12	Applicability of Criminal Provisions.....	19
7.13	Disclosure of Awardee Reports by Fund.....	19
7.14	Limitation on Fund and Federal Liability.....	19
7.15	Compliance with Non-Discrimination Statutes.....	19



## **ARTICLE I INCORPORATION BY REFERENCE**

12 C.F.R. Part 1805, as from time to time amended, is incorporated by reference and given the same force and effect as if set out in full text. In the event of any inconsistency between 12 C.F.R. Part 1805 and the terms set forth in these General Award Terms and Conditions, all Schedules and any amendments hereto, the provisions of 12 C.F.R. Part 1805 shall govern.

## **ARTICLE II DEFINITIONS**

When used in this Assistance Agreement (including all schedules and any amendments hereto), the following terms shall have the meanings specified below. Capitalized terms used, but not defined herein, shall have the respective meanings assigned to them in the Act, the Community Development Financial Institutions Program Regulations, the NOFA and/or the Application (as such terms are hereinafter defined).

2.1 Act. "Act" shall mean the Community Development Banking and Financial Institutions Act of 1994, subtitle A, title I, Riegle Community Development and Regulatory Improvement Act of 1994, Pub. L. No. 103-325, 108 Stat. 2163 (September 23, 1994), as amended.

2.2 Advance. "Advance" shall mean payment of Federal grant monies by electronic funds transfer to an Awardee either before outlays are made by the Awardee on a cash basis to pay the direct costs associated with the approved, authorized uses of said grant monies or through the use of predetermined payment schedules.

2.3 Affiliate. "Affiliate" shall mean any company that controls, is controlled by, or is under common control with the Awardee, as defined in 12 CFR § 1805.104(b).

2.4 Application. "Application" shall mean the Fund's application form, including any written or verbal information in connection therewith and any attachments, appendices and/or written or verbal supplements thereto, submitted by the Awardee to the Fund, in response to the applicable NOFA.

2.5 Assistance. "Assistance" shall mean the award made pursuant to this Agreement, which may comprise the Technical Assistance and/or the Financial Assistance, as the case may be.

2.6 Assistance Agreement. "Assistance Agreement" or "Agreement" shall mean the Assistance Agreement between the Fund and the Awardee, of which these General Award Terms and Conditions are a material part, including the cover signature page, any schedules and attachments hereto, as the Agreement may, from time to time, be amended in accordance with its terms.

2.7 Closing. "Closing" shall mean any proper execution and delivery of the Agreement and/or any other document connected herewith and/or any disbursement of Assistance by electronic funds transfer to an account designated by the Awardee. Pursuant hereto, there will be

an initial Closing at which, for example, the Agreement and documents connected herewith will be properly executed and delivered, subsequent to which an initial disbursement connected herewith will be made. Subsequently, there may be a subsequent Closing or Closings at which subsequent disbursements connected herewith will be made and any documents in addition to the Agreement that may be connected with such disbursements shall be properly executed and delivered by the Awardee to the Fund.

2.8 Community Development Financial Institution. "Community Development Financial Institution" or "CDFI" shall mean any entity certified as a CDFI by the Fund pursuant to 12 C.F.R. § 1805.201 of the Community Development Financial Institutions Program Regulations, with such certification indicating that the entity meets the CDFI eligibility requirements set forth in the Community Development Financial Institutions Program Regulations, including, without limitation, 12 C.F.R. § 1805.200 thereof.

2.9. CDFI Fund or Fund. "CDFI Fund" or "Fund" shall mean the Community Development Financial Institutions Fund.

2.10 Community Development Financial Institutions Program. "Community Development Financial Institutions Program" or "CDFI Program" shall mean the program authorized by the Act and implemented pursuant to the Community Development Financial Institutions Program Regulations.

2.11 Community Development Financial Institutions Program Regulations. "Community Development Financial Institutions Program Regulations" or "CDFI Program Regulations" shall mean the regulations set forth in 12 C.F.R. Parts 1805 and 1815, as the same may, from time to time, be amended.

2.12 Comprehensive Business Plan. "Comprehensive Business Plan" or "Business Plan" shall mean the business plan submitted by the Awardee as, or in connection with, its Application.

2.13 Effective Date. "Effective Date" shall mean the date that this Assistance Agreement is effective; such date is determined by the Fund after the Awardee has returned an executed original of this Assistance Agreement, along with all required supporting documentation, including either the opinion of counsel (Schedule 2-A of this Agreement) or the Certificate of the Secretary (Schedule 2-B), as applicable.

2.14 Financial Assistance or FA. "Financial Assistance" or "FA" shall mean funds provided by the CDFI Fund through the CDFI Program in the form of an equity investment (including, in the case of certain Insured Credit Unions, secondary capital accounts), grant, loan, deposit, credit union shares, or any combination thereof.

2.15 Financial Assistance Component or FA Component. "Financial Assistance Component" or "FA Component" refers to the component of the CDFI Program through which Financial Assistance and, as applicable, Technical Assistance awards are made by the Fund, pursuant to the CDFI Program Regulations..

2.16 Insider. “Insider” shall mean any director, officer, employee, principal shareholder (owning, individually or in combination with family members, five percent or more of any class of stock), or agent (or any family member or business partner of any of the above) of the Awardee or of any Affiliate or Community Partner of the Awardee.

2.17 Investment Area. “Investment Area” shall mean the geographic area meeting the requirements set forth in 12 C.F.R. § 1805.201(b)(3)(ii). For purposes of the Assistance Agreement, the Awardee’s Investment Area consists of the geographic area designated in the Awardee’s most recently approved CDFI certification memorandum or other documentation (or amendment thereto) located in the Awardee’s certification file at the Fund.

2.18 Low-Income. “Low-Income” means an income defined in accordance with the CDFI Program Regulations at 12 C.F.R. § 1805.104 (ee).

2.19 Matching Funds. “Matching Funds” shall mean the funds referenced and/or described in Section 3.2(c) and Schedules 3-A, 3-B and 3-C.

2.20 Material Event. “Material Event” shall mean an occurrence that affects the Awardee’s strategic direction, mission, or business operation and, thereby, its status as a certified CDFI and/or its compliance with the terms and conditions of this Assistance Agreement.

2.21 Material Weakness. “Material Weakness” shall have the same meaning ascribed by the American Institute of Certified Public Accountants, meaning a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

2.22 myCDFIFund. “myCDFIFund” means an account established through the Fund’s website, through which the Awardee and the Fund will communicate.

2.23 Native Community. “Native Community” shall mean a Native American, Alaska Native, or Native Hawaiian population, land or Census-equivalent entity (with the exception of a State or Tribal Designated Statistical Areas, as those terms are defined by the Bureau of the Census).

2.24 Native CDFI. “Native CDFI” shall mean a CDFI that has at least 50 percent of its activities directed to benefit one or more Native Communities.

2.25 Native American CDFI Assistance Program or NACA Program. “Native American CDFI Assistance Program” or “NACA Program” shall mean the program through which Financial Assistance and Technical Assistance awards are made by the Fund to eligible organizations that serve Native Communities.

2.26 Notice of Funds Availability or NOFA. “Notice of Funds Availability” or “NOFA” shall mean the notice published by the Fund in the Federal Register that announced the availability of funds for a particular program funding round (refer to the cover form of this Assistance Agreement for the date of the NOFA that is applicable to this Assistance Agreement).

2.27 Performance Goals. “Performance Goals” shall mean the performance goals and measures as described in Section 3.2(d) and Schedule 7-A.

2.28 Performance Period. “Performance Period” shall mean an Awardee’s two full consecutive fiscal years after the Effective Date (if the Assistance is TA-only) or three full consecutive fiscal years after the Effective Date (if the Assistance includes FA), during which the Awardee must meet its Performance Goals, or such other period as may be established by the Fund.

2.29 Program Income. “Program Income” shall mean gross income earned by an Awardee that is directly generated by a supported activity or earned as a result of the Fund’s award of assistance in the form of a Financial Assistance grant and/or a Technical Assistance grant (hereinafter the “grant assistance”). Program Income includes, but is not limited to, gross income from: fees for services performed that were funded or supported by the Fund’s grant assistance; the use or rental of real or personal property acquired with or supported by the Fund’s grant assistance; license fees and royalties on the patents and copyrights on processes or works that were funded or supported by the Fund’s grant assistance; and payments of principal received on loans and interest earned on loans made using the Fund’s grant assistance. Interest earned on Advances is not Program Income.

2.30 Promissory Note or Note. “Promissory Note” or “Note” shall mean that certain promissory note set forth as Schedule 9-B of this Assistance Agreement, if applicable.

2.31 Subsidiary. “Subsidiary” shall have the same meaning as defined in 12 C.F.R. § 1805.104(jj).

2.32 Target Market. “Target Market” means an Investment Area(s) and/or a Targeted Population(s).

2.33 Targeted Population. “Targeted Population” shall mean the individuals or identifiable group of individuals meeting the requirements of 12 C.F.R. § 1805.201(b)(3)(iii) of the CDFI Program Regulations. For purposes of the Assistance Agreement, the Awardee’s Targeted Population consists of the individuals or identifiable group of individuals designated in the Awardee’s most recently approved CDFI certification memorandum or other documentation (or amendment thereto) located in the Awardee’s certification file at the Fund.

2.34 Technical Assistance. “Technical Assistance” shall mean funds, provided in the form of a grant by the Fund, to fund the purchase of technology, consulting services, training, in some cases staff salary to enhance the capacity of the Awardee, and/or such other uses as have been approved by the Fund and set forth in this Agreement.

2.35 Technical Assistance Component or TA Component. “Technical Assistance Component” or “TA Component” refers to the component of the CDFI Program through which Technical Assistance awards are made by the Fund, pursuant to the CDFI Program Regulations.

2.36 Tribal Government. “Tribal Government” shall mean the federally recognized governing body (including a tribal council) of a Native American tribe or Alaska Native village, as applicable.

**ARTICLE III**  
**THE ASSISTANCE; CLOSINGS; DISBURSEMENTS; FUND RECEIPT OF LOAN**  
**PAYMENTS, INVESTMENT INCOME AND EQUITY REDEMPTIONS;**  
**PROGRAM INCOME**

3.1 The Assistance. At all Closings connected herewith, including without limitation, any initial Closing and any subsequent Closing(s), and subject to all of the terms and conditions hereof and in reliance upon all representations, warranties, assurances, certifications and agreements contained herein, the Fund hereby agrees to provide to the Awardee, subject to the availability of funds, and the Awardee hereby agrees to accept from the Fund, the Assistance.

3.2 Closing(s). The obligation of the Fund to provide any or all of the Assistance to the Awardee at any Closing connected herewith is subject to the fulfillment, as determined by the Fund, in its sole discretion, of the following conditions precedent, each of which shall be fulfilled prior to any Closing(s) connected herewith, to the satisfaction of the Fund.

- (a) Performance; Representations and Warranties. As of the initial Closing, (i) the Awardee shall have performed and complied with all applicable agreements and conditions contained herein required to be performed or complied with by it and (ii) the representations and warranties set forth in this Agreement and the Assurances and Certifications contained in the Application shall be true and correct in all material respects.
- (b) (i) Opinion of Awardee Counsel. [Applicable to any Financial Assistance in the form of a loan; an equity investment; a secondary capital account or certificate of deposit; a credit union share; a Financial Assistance grant in an amount greater than \$500,000; or any combination thereof.] Unless otherwise determined by mutual agreement of the Fund and the Awardee, the Fund shall have received from counsel for the Awardee, a favorable opinion satisfactory in scope, form, and substance to the Fund and the Fund's counsel, with respect to the matters set forth on Schedule 2-A. Such opinion shall also cover such other matters incident to the transactions contemplated hereby as the Fund or its counsel may require. The Awardee must provide such opinion of counsel prior to the initial Closing and, in the case of Financial Assistance that is in the form of a loan, an equity

investment, a secondary capital account or certificate of deposit, a new opinion for each subsequent Closing.

OR

(ii) Certificate of the Secretary. [Applicable to any Assistance in the form of a Financial Assistance grant in an amount equal to or less than \$500,000 or a Technical Assistance Grant.] Unless otherwise determined by mutual agreement of the Fund and the Awardee, the Fund shall have received from the Awardee's Secretary (or the Awardee's Chief Executive, if there is no Secretary of the Awardee), a certification to such effect in the form attached hereto as Schedule 2-B.

- (c) Matching Funds. For Financial Assistance, the Fund shall have received evidence satisfactory in substance and form to the Fund that the Awardee has secured the required Matching Funds as described in Schedule 3-C. The Awardee must raise from non-Federal government sources not less than one dollar for each dollar of Financial Assistance provided by the Fund hereunder. Community Development Block Grant Program and other funds provided pursuant to the Housing and Community Development Act of 1974, as amended (42 U.S.C. § 5301 et seq.), shall be considered Federal government funds and may not be used to satisfy this Matching Funds requirement. Matching Funds must be at least comparable in form and value to the Financial Assistance provided hereunder. The Fund, in its sole discretion, will determine whether proposed Matching Funds are comparable in form and value to the Financial Assistance provided hereunder.
- (d) Performance Goals. The Fund and the Awardee shall have determined, by mutual agreement, the Performance Goals for the Awardee as required by 12 U.S.C. § 4707(f) and the CDFI Program Regulations. Such Performance Goals are set forth in Schedule 7-A attached hereto and derived from the Comprehensive Business Plan and the Application. Nothing herein is intended or should be construed to prevent the Awardee from developing, adopting and/or revising a business strategy as it deems appropriate in the best interests of the Awardee, provided such activities by the Awardee do not result in the Awardee's failure to comply with this Assistance Agreement.
- (e) Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by the Assistance Agreement and all documents and instruments incident to such transactions shall be satisfactory in substance and form to the Fund, and the Fund shall have received from the Awardee all such counterpart originals or certified or other documents as the Fund may reasonably request.

3.3 Disbursements.

- (a) If, at any Closing connected herewith, any of the conditions specified herein or in any document connected herewith shall not have been fulfilled to the satisfaction of the Fund, the Fund will not effect such Closing until such time as said conditions shall be fulfilled to the satisfaction of the Fund.
- (b) The Fund will not disburse any Assistance pursuant hereto until the Awardee has satisfied all conditions precedent to receiving such Assistance, including, but not limited to, the Awardee being in compliance (or being noncompliant but not determined by the Fund to be in default) with the terms and conditions of any prior award from the Fund.
- (c) The Fund will not disburse any Financial Assistance until the Awardee has received (and provided to the Fund satisfactory evidence of such receipt) the required Matching Funds connected with the Financial Assistance. In accordance with 12 C.F.R. § 1805.803, Financial Assistance disbursed by the Fund to the Awardee will not exceed the amount of Matching Funds for which the Awardee has provided satisfactory evidence of receipt on or before the applicable Closing. The Fund will require the Awardee to certify to the Fund the amount of Matching Funds received on or before the applicable Closing.
- (d) If the Financial Assistance is in the form of a loan and/or an equity investment, the Fund will not disburse such Financial Assistance until the Awardee delivers to the Fund, as applicable, the original signed Assistance Agreement, the original signed Promissory Note (Schedule 9-B) and/or the original signed Stock certificate(s) (Schedule 10-B), duly registered in the name of the Fund for the number of shares of Stock to be issued and sold to the Fund on or before the applicable Closing.
- (e) In order to receive disbursement of award proceeds, the Awardee first must provide the Fund with a complete and accurate Automated Clearinghouse (ACH) form (see Schedule 12 of this Assistance Agreement) related to the bank account into which the Awardee wants the award proceeds deposited, prior to each disbursement. If the ability to provide banking information through myCDFIFund is available, this information must be updated prior to each disbursement. The Awardee is responsible for the accuracy of its banking information as reflected on the ACH form or in myCDFIFund, if applicable. In the event that the Awardee provides inaccurate, non-current or incomplete banking information, the Fund is not responsible for reimbursement or payment to the Awardee for any Assistance transferred to an incorrect account.

3.4 Fund Receipt of Loan Repayments, Interest Earned on Deposits, Investment Income and Equity Investment Redemptions. If the Financial Assistance is in the form of a loan, certificate of deposit, credit union share, or secondary capital, and periodic payments are due to the Fund (for example, loan repayments, payment of dividends or interest), the Awardee must complete a Pre-Authorized Disbursement (PAD) form (see Schedule 9-D if a loan, or Schedule 10-H, if a certificate of deposit, credit union share or secondary capital), which will include the Awardee's

banking information and authorization for the Fund to debit automatically the Awardee's bank account for the amount of the periodic payment due to the Fund.

3.5 Authorized Uses of Program Income. Any Program Income derived by the Awardee from the Assistance provided under the terms of the Assistance Agreement shall be used by the Awardee solely to further the objectives of its Comprehensive Business Plan.

3.6 Restrictions on the Use of Program Income.

- (a) The Awardee shall not use any Program Income in a manner other than as authorized hereunder, unless the Awardee consults with and obtains the prior written approval of the Fund.
- (b) The Awardee shall not use any Program Income earned hereunder to pay any person to influence or attempt to influence any agency, elected official, officer or employee of a State or local government in connection with the making, award, extension, continuation, renewal, amendment, or modification of any State or local government contract, grant, loan or cooperative agreement as such terms are defined in 31 U.S.C. § 1352.
- (c) The Awardee shall not use any Program Income to pay any costs incurred in connection with (i) any defense against any claim or appeal of the United States Government, any agency or instrumentality thereof (including the Fund), against the Awardee, or (ii) any prosecution of any claim or appeal against the United States Government, any agency or instrumentality thereof (including the Fund), which the Awardee instituted or in which the Awardee has joined as a claimant.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES**

The Awardee hereby represents and warrants to the Fund the following:

4.1 Organization, Standing and Powers. The Awardee is a validly existing Tribal Government, or an entity validly existing and in good standing under federal law or the laws of the state or Tribe of its legal formation and has all requisite power and authority to own and operate its assets and properties, to carry on its business as it is now being conducted and to carry out its proposed, hereby authorized use(s) of the Assistance provided hereunder.

4.2 Qualification. The Awardee is duly qualified, in good standing and authorized to transact business in each jurisdiction where the conduct of the Awardee's business, the carrying out of its proposed, hereby authorized use(s) of the Assistance to be provided hereunder or the ownership of its assets and properties requires such qualification, or, if not so qualified, the Awardee's failure so to qualify shall not have a material adverse effect on the Awardee, its financial condition or operations and will not impair the Awardee's ability to carry out its proposed,



hereby authorized use(s) of the Assistance to be provided hereunder or its right to enforce any material agreement to which it is a party.

4.3 Authorization; Consents. The execution, delivery and performance by the Awardee of the Assistance Agreement and the carrying out of its proposed, hereby authorized use(s) of the Assistance provided hereunder are within the Awardee's corporate powers and have been duly authorized by all requisite corporate action. No consent, license, approval, authorization, qualification, exemption, franchise, designation, permit or order of, notice to or declaration or filing with, any third party, including, without limitation, any governmental entity (other than the Fund), is required in connection with the conduct of the Awardee's business or in connection with the valid execution, delivery and performance by the Awardee of the Assistance Agreement or any documents or agreements connected herewith or the carrying out of the proposed, hereby authorized use(s) of the Assistance to be provided hereunder.

4.4 Execution and Delivery; Binding Agreement. The Assistance Agreement and all documents connected therewith have been or will be, on or before the Effective Date, duly authorized, executed and delivered on behalf of the Awardee and constitute, on or before the Effective Date, legal, valid and binding obligations of the Awardee enforceable in accordance with their respective terms.

4.5 No Conflicts. The execution, delivery and performance by the Awardee of the Assistance Agreement and the carrying out of the proposed, hereby authorized uses(s) of the Assistance provided hereunder shall not result in any violation of and shall not conflict with, or result in a breach of any of the terms of, or constitute a default under, any provision of Federal or State law to which the Awardee is subject, the Awardee's incorporation, charter, organization, formation or otherwise establishing documentation, bylaws or any agreement, judgment, writ, injunction, decree, order, rule or regulation to which the Awardee is a party or by which it is bound.

4.6 Litigation. The Awardee has neither actual nor constructive knowledge of any suit, action, proceeding or investigation pending or threatened that questions the validity of the Assistance Agreement or any action taken or to be taken pursuant hereto or contemplated hereby including, but not limited to, the carrying out of the proposed, hereby authorized use(s) of the Assistance to be provided hereunder.

4.7 Compliance with Other Instruments. The Awardee is not, and at any Closing connected herewith will not be, in violation of any provision of its incorporation, charter, organization, formation or otherwise establishing documents, or any loan agreement or other material agreement to which it is a party. The Awardee is not, and at any Closing connected herewith will not be, in violation of any instrument, judgment, decree, order, statute, rule or governmental regulation applicable to it, the violation of which might have a material adverse effect on the business, affairs, operations, or condition of the Awardee.

4.8 Disclosure. Neither the Assistance Agreement nor any attachment thereto, nor any certification or other document referenced or incorporated herein or therein and furnished to the

Fund by the Awardee contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. The Awardee has disclosed, in writing, to the Fund all facts that might reasonably be expected to result in a material adverse effect upon the Awardee's ability either to conduct its principal business or to carry out its proposed and herein authorized use of the Assistance to be provided hereunder. The Awardee has not knowingly and willfully made or used a document or writing containing any false, fictitious or fraudulent statement or entry as part of its correspondence or communication with the Fund. The Awardee acknowledges, under 18 U.S.C. § 1001, that if it knowingly and willfully makes or uses such document or writing it or its employee(s) or agents shall be fined or imprisoned for not more than five years, or both.

4.9 Taxes; Debts; Bankruptcy. The Awardee is not delinquent on any debts owed to Federal, State, local or Tribal governments including, but not limited to, amounts due under the Internal Revenue Code, and has never filed for bankruptcy nor had a conservator appointed. The Awardee has neither actual nor constructive knowledge of any pending or anticipated bankruptcy filings or conservatorship appointments on its behalf.

4.10 Debarment, Suspension and Other Responsibility Matters. Pursuant to 31 C.F.R. 19.335, neither the Awardee nor any of its principals (as defined by 31 C.F.R. 19.995): (a) are presently excluded or disqualified from covered transactions by any Federal department or agency; (b) within the three-year period preceding the date of this Assistance Agreement, have been convicted of or had a civil judgment rendered against them for any of the offenses listed in 31 C.F.R. 19.800(a); (c) are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses listed in 31 C.F.R. 19.800(a); or (d) within the three-year period preceding the date of this Assistance Agreement, have had one or more public transactions (Federal, State, or local) terminated for cause or default.

4.11 Status as a CDFI.

(a) For Financial Assistance Component Awardees: Since its certification as a CDFI, the Awardee has neither actual nor constructive knowledge of any changes that may adversely affect its status as a certified CDFI.

(b) For All Other Awardees:

- (i) If the Awardee has applied for CDFI certification or is already certified as a CDFI as of the date of this Assistance Agreement: the Awardee has neither actual nor constructive knowledge of any events or pending matters that may adversely affect its CDFI certification application or its status as a certified CDFI, as the case may be.
- (ii) If the Awardee is classified as a "Sponsoring Entity" through the NACA Program that must apply for CDFI certification on behalf of another entity: the Awardee

has neither actual nor constructive knowledge of any events or pending matters that may adversely affect said CDFI certification application.

## **ARTICLE V COVENANTS AND AGREEMENTS OF THE AWARDEE**

Until the termination of the Assistance Agreement pursuant to Section 7.11 of the General Award Terms and Conditions (except with respect to Section 5.4 hereof which shall remain in effect for three years following the termination hereof pursuant to said section), the Awardee shall duly perform and observe each and all of the following covenants and agreements:

5.1 Compliance with Government Requirements. In carrying out its responsibilities pursuant to the Assistance Agreement, the Awardee shall comply with all applicable Federal, State, local and Tribal laws, regulations, ordinances, Office of Management and Budget (OMB) Circulars, and Executive Orders.

5.2 Fraud, Waste and Abuse. If the Awardee becomes aware at any time of the existence or apparent existence of fraud, waste or abuse of Assistance provided pursuant to the Assistance Agreement, the Awardee shall promptly report such incidence(s) to the Office of Inspector General of the U.S. Department of the Treasury.

5.3 Right to Inspect and Audit. The Awardee shall submit such financial and activity reports, records, statements and documents as may be required by the Fund and the U.S. Department of the Treasury to ensure compliance with the Assistance Agreement. The United States Government including, but not limited to, the U.S. Department of the Treasury and the Comptroller General, and their duly authorized representatives, shall have full and free access during reasonable business hours to the Awardee's offices and facilities and all books, documents, records and financial statements relevant to the Assistance provided hereunder. The Awardee shall permit any of these authorities to copy such documents as they deem appropriate, except as proscribed in 12 C.F.R. § 1805.804(f)(5). The purposes of such inspections and/or audits will include, but not be limited to, ensuring that representations, warranties, covenants, and/or certifications are accurate. The Fund will, consistent with applicable law, maintain the confidentiality of all financial and other proprietary information disclosed to the Fund pursuant to this section.

5.4 Retention of Records. The Awardee shall comply with all record retention requirements set forth in OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Institutions, and OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments. Pursuant to this Circular, the Awardee shall retain all financial records, supporting documents, statistical records and any other records pertinent to the Assistance for a period of three years after the conditions in Section 7.11 have all been met.

5.5 General Data Collection. The Awardee shall maintain such records as reasonably may be necessary to:

- (a) disclose the manner in which the Assistance provided hereunder is used;
- (b) demonstrate compliance with the requirements of the CDFI Program Regulations and the Assistance Agreement; and
- (c) evaluate the accomplishments of the applicable Fund program.

5.6 Equal Credit Opportunity Act. The Awardee shall provide its products and services in a manner that is consistent with the Equal Credit Opportunity Act (15 U.S.C. § 1691), to the extent that the Awardee is subject to the requirements of such Act.

5.7 Certain Insider Activities. The Awardee shall comply with the restrictions on Insider activities set forth in the CDFI Program Regulations (at 12 CFR § 1805.807).

5.8 Maintain CDFI Certification (if applicable); Maintain Status as an Insured Credit Union, Depository Institution Holding Company or Insured Depository Institution (if applicable).

- (a) If the Awardee is certified as a CDFI as of the date of this Assistance Agreement: The Awardee shall do all things necessary to preserve, renew and keep in full force and effect its certification as a CDFI.
- (b) If the Awardee becomes certified as a CDFI during the term of this Assistance Agreement: The Awardee, upon certification, shall do all things necessary to preserve, renew and keep in full force and effect its certification as a CDFI.
- (c) For Insured Credit Unions, Depository Institution Holding Company, Insured Depository Institution and State-Insured Credit Union Awardees: In addition to meeting the requirements of Section 5.8 (a) and (b), as applicable, the Awardee shall do all things necessary to preserve, renew and keep in full force and effect its status as an Insured Credit Union, Depository Institution Holding Company, Insured Depository Institution or State-Insured Credit Union, as applicable.

5.9 Advise the Fund of Certain Material Events. The Awardee shall advise the Fund in writing, within 30 days of the event and in reasonable detail, of any of the following Material Events (refer to the “CDFI Program/Financial Assistance Component” page of the Fund’s website at [www.cdfifund.gov](http://www.cdfifund.gov) for further information):

- (a) any proceeding instituted against the Awardee in, by or before any court, governmental or administrative body or agency, which proceeding or its outcome could have a material adverse effect upon the operations, assets or properties of the Awardee;

- (b) any material adverse change in the condition, financial or otherwise, or operations of the Awardee that would impair the Awardee's ability to carry out the authorized uses of the Assistance;
- (c) any substantial change in the business of the Awardee;
- (d) the loss of the Awardee's Insured Credit Union existence as defined in 12 U.S.C. § 1752(7) (if applicable);
- (e) the occurrence of any Event of Default, as that term is defined in Section 6.1 hereof, or any event which upon notice or lapse of time, or both, would constitute an Event of Default;
- (f) the merger, consolidation or acquisition of the Awardee by or with another entity;
- (g) loss of the Awardee's Depository Institution Holding Company existence under 12 USC § 1813(w)(1) or Insured Depository Institution existence under 12 USC § 1813(c)(2) (if applicable);
- (h) a change in the Awardee's shareholders or organization that results in (i) the Fund's ownership of equity in the Awardee exceeding 50 percent and/or (ii) the Fund controlling the Awardee's operations;
- (i) the debarment, suspension, exclusion or disqualification, by the Department of Treasury, or any other Federal department or agency, of any individual or entity (or principal thereof) that received any portion of the Assistance in a procurement or nonprocurement transaction, as defined in 31 C.F.R. §19.970;
- (j) any event or change that would result in the Awardee not being certified as a CDFI; or
- (k) such other events that may be determined by the Fund, in its sole discretion, to be material events and for which the Fund issues related guidance.

#### 5.10 Tracking Use of Assistance, Matching Funds and Interest Earned on Advances.

- (a) The Awardee must account for and track the use of the Assistance and the Matching Funds. For further information, see Schedules 3-A (Authorized Uses of Matching Funds); 5-A (Authorized Uses of Technical Assistance); 5-B (Authorized Uses of Financial Assistance); 7-B (Financial Status Report, Form SF-269-A); and 7-C (Uses of FA and MF Report).
- (b) For every dollar of Financial Assistance received from the Fund, the Awardee must be able to verify how it was used. This requires the Awardee to separately account

for the proceeds and uses of the Assistance. Nonprofit institutions should refer to OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Institutions, for additional guidance. If the Assistance is provided through the NACA Program, the Awardee should refer also to OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments, for additional guidance on administrative requirements, as appropriate.

- (c) OMB Circular A-110 states that non-profit recipients shall maintain Advances of Federal funds in interest-bearing accounts and that the interest earned on such Advances in excess of certain amounts per year must be remitted annually to the Department of Health and Human Services. Refer to OMB Circular A-110 for additional information and guidance.
- (d) The Awardee shall determine whether any individual or entity (or principal thereof), receiving any portion of the Assistance is currently debarred, suspended, excluded or disqualified by the Department of Treasury or any other Federal department or agency. The Awardee shall include in all of its procurement and nonprocurement contracts and agreements, between the Awardee and an individual or entity (or principal thereof) receiving any portion of the Assistance, a representation that such individual or entity (or principal thereof) is not currently debarred, suspended, excluded or disqualified by any Federal department or agency. Notwithstanding the foregoing, the above representations are not required in those procurement contracts in which the Awardee enters into for goods or services for less than \$25,000.

## **ARTICLE VI**

### **EVENTS OF DEFAULT AND REMEDIES**

6.1 Events of Default. If any one or more of the following events occurs, the Fund, in its sole discretion, may find the Awardee to be in default:

- (a) fraud, mismanagement or noncompliance with the Act;
- (b) any representation, warranty, certification, assurance or any other statement of fact set forth in this Assistance Agreement or the Application including, but not limited to, the Assurances and Certifications contained in the Application, or any representation or warranty set forth in any document, report, certificate, financial statement or instrument now or hereafter furnished in connection with the Assistance Agreement, is found by the Fund to be inaccurate, false, incomplete or misleading when made, in any material respect;
- (c) A Material Weakness, a qualified opinion or any statement in the Awardee's annual audited financial statements that evidences a failure of the Awardee to be

financially sound, be managerially sound and/or maintain appropriate internal controls;

- (d) the failure of the Awardee to observe, comply with or perform any term, covenant, agreement or other provision contained in the CDFI Program Regulations, this Assistance Agreement including, but not limited to, the Performance Goals, or the Application including, but not limited to, the Assurances and Certifications contained therein or any instrument, note or any other document delivered to the Fund in connection with or pursuant to the Assistance Agreement;
- (e) the failure of the Awardee to conduct its business in the usual and ordinary course or to maintain its corporate existence and right to carry on its business and duly obtain all necessary renewals, licensing and extensions thereof and to maintain, preserve and renew all such rights, powers, privileges and franchises;
- (f) if the Assistance is in the form of an equity investment: (i) failure of the Awardee to abide by the terms and conditions of the equity issuance or (ii) any event that results in (A) a conversion or change of the form or transferability of the Assistance, (B) the Assistance constituting more than 50 percent of the equity of an Awardee, or (C) a determination that the Fund controls the operations of the Awardee;
- (g) if the Assistance is in the form of a loan: (i) failure of the Awardee to abide by the terms and conditions of the Note; (ii) default in the due and punctual payment of the principal, interest, or both on the Note when and as the same shall become due and payable; or (iii) default in the due and punctual payment of the principal, interest, or both on a debt instrument of the Awardee that evidences funds borrowed by the Awardee and used as Matching Funds hereunder when said default results in the instrument's holder initiating proceedings against the Awardee to make all payments under said instrument immediately due and payable;
- (h) the Awardee's becoming insolvent or unable to meet its obligations as they mature, making a general assignment for the benefit of creditors, or consenting to the appointment of a trustee or a receiver, or admitting in writing its inability to pay its debts as they mature;
- (i) the institution of bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings by or against the Awardee and, if instituted against it, the same being consented to by the Awardee or remaining undismissed for a period of thirty (30) calendar days.

6.2 Sanctions. If the Fund finds the Awardee to be in default under Section 6.1, the Fund may, in its sole discretion, take any one or more of the following actions, subject to Section 6.4:

- (a) require changes in the Awardee's Performance Goals;
- (b) require changes in the Awardee's Comprehensive Business Plan;
- (c) revoke approval of the Awardee's Application;
- (d) revoke approval of any other applications submitted to the Fund by the Awardee under any of the Fund's programs, and declare such applications to be ineligible;
- (e) reduce or terminate the Assistance authorized hereunder;
- (f) require repayment of any Assistance that has been distributed to the Awardee pursuant hereto;
- (g) render the Awardee ineligible to apply for additional Assistance from the Fund through future funding rounds;
- (h) require the Awardee to convene a meeting(s) of its board of directors at which meeting(s) the Fund will be given the opportunity to address the attendees with respect to the Fund's evaluations and concerns regarding the performance of the Awardee under the Assistance Agreement;
- (i) exercise the acceleration and/or default provisions of the Promissory Note, if the Assistance is in the form of a loan, and/or exercise the redemption and/or default provisions of the equity documents, if the Assistance is in the form of an equity investment; and/or
- (j) take such other actions as the Fund deems appropriate including, but not limited to, suspension or revocation of CDFI certification.

6.3 No Waiver. No course of dealing on the part of the Fund or any delay or failure on the part of the Fund to exercise any right herein will operate as a waiver of the right or otherwise prejudice the Fund's rights, powers and remedies under the Assistance Agreement, the Act, the CDFI Program Regulations or any other applicable law or regulation.

6.4 Notice of Default; Time to Cure. Prior to exercising or imposing any sanction(s) under section 6.2 herein, the Fund will, to the maximum extent practicable, provide the Awardee with written notice of the default and the prescribed sanctions(s). Unless otherwise specified in the notice, the Awardee shall have thirty (30) days from the date of the default notice to cure the default. If the Awardee believes that the default is of such a nature that it cannot be cured within the time set forth in the notice, then the Awardee may, within five (5) days of the date of the notice, request, in writing, additional time to cure the default. If the Fund determines, in its sole discretion, that such additional time is necessary, then the Fund may extend the cure period. If the Fund does not extend the cure period, as outlined above, and the Awardee fails to cure the



default within the 30-day (or other period specified in the written notice) cure period, the Fund may, in its sole discretion, impose or exercise the sanction(s) set forth in its written notice, and any other sanction to which it might be entitled hereunder, or in law or at equity, within a timeframe set by the Fund in its sole discretion. Nothing in the Assistance Agreement, however, will create in the Awardee any right to any formal or informal hearing or comparable proceeding not otherwise required by law.

Notwithstanding the foregoing, if the Fund determines, in its sole discretion, that the Awardee has engaged in fraud, mismanagement, or other prohibited misconduct, or that the default is of such a nature that it cannot be cured, the Fund may, in its sole discretion, impose the prescribed sanction(s) without notice, except as may be required by law.

## **ARTICLE VII MISCELLANEOUS**

7.1 Entire Agreement. The Assistance Agreement (including all schedules and amendments thereto), the Application and the attachments, exhibits, appendices and supplements to the Application, and the Notice of Award, between the Awardee and the Fund with respect to the obligation of funds necessary to provide Assistance to the Awardee contain the entire agreement of the parties with respect to the subject matter hereof and supersede all prior agreements or understandings, written or oral, in respect thereof, and no change, modification or waiver of any provision hereof shall be valid unless in writing and signed by the party to be bound. The Application, including any attachments, exhibits, appendices and supplements thereto, any attachments, schedules, exhibits, appendices and supplements to the Assistance Agreement, and said Notice of Award are incorporated in and made a part of this Agreement.

7.2 Assignment. The Awardee may not assign, pledge or otherwise transfer any rights, benefits or responsibilities of the Awardee under the Assistance Agreement without the prior written consent of the Fund. In addition, any assignment by the Awardee shall comply, to the extent applicable, with the Assignment of Claims Act, codified at 31 U.S.C. § 3727.

7.3 Successors. The rights, benefits and responsibilities of each of the parties to the Assistance Agreement shall inure to their respective successors, subject to this Section 7.3. If the Awardee merges with or is acquired by another entity, the Fund reserves the right to request information from and examine the new entity, which acquired or merged with the Awardee, to determine its acceptability as an Awardee. If the Fund determines that the new entity is not eligible or acceptable as an Awardee, or if the new entity does not agree to abide by all the provisions of the Assistance Agreement and shall continue operations and performance as if there were no interruption in the parties to the Assistance Agreement, the Fund may terminate the continued provision of Assistance under the Assistance Agreement and take any or all remedies it deems appropriate in accordance with Article VI hereof.

7.4 Severability. If any provision of the Assistance Agreement shall for any reason be held to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not

affect any other provision of the Assistance Agreement, and the Assistance Agreement shall be construed as if such illegal, invalid or unenforceable provision had never been contained herein.

7.5 Applicable Law. The Assistance Agreement shall be governed by and construed in accordance with Federal law to the extent such Federal law is applicable, and to the extent Federal law is not applicable, the Assistance Agreement shall be governed by and construed in accordance with the law of the State of incorporation of the Awardee.

7.6 Disclaimer of Relationships.

- (a) The Awardee shall not be deemed to be an agency, department or instrumentality of the United States merely by virtue of it being an Awardee.
- (b) Nothing in the Assistance Agreement, nor any act of the Fund or the Awardee, shall be construed by either of them, or by a third party, to create any relationship of third-party beneficiary, principal and agent, limited or general partner or joint venture, or of any association or relationship whatsoever involving the Fund.
- (c) Notwithstanding any other provision of law, the Fund shall not be deemed to control the Awardee by reason of any Assistance provided hereunder for the purpose of any other applicable law, provided that the Fund does not own more than 50 percent of the equity of the Awardee.

7.7 Counterparts. The Assistance Agreement may be executed in counterparts, each of which shall constitute an original but all of which together shall constitute one and the same instrument.

7.8 Headings. The headings contained in the Assistance Agreement are for convenience only and shall not affect the meaning or interpretation of the Assistance Agreement.

7.9 Amendments.

- (a) The terms of the Assistance Agreement may be amended, modified, or supplemented by the mutual written consent of the parties hereto.
- (b) If the Awardee proposes to make an amendment to the Assistance Agreement, it must submit a request, in writing, to the Fund's Grants Manager at least three (3) months prior to the date or performance period being modified.
- (c) Notwithstanding the above, the Fund may, upon reasonable notice to the Awardee, unilaterally amend the Assistance Agreement for the sole purpose of making ministerial or administrative changes or correcting scrivener's errors.

7.10 Survival of Representations and Warranties. All representations, warranties, covenants, and agreements made by the Awardee in the Assistance Agreement or the Application, including, without limitation, all Assurances and Certifications contained in the Application, or

in any document, report, certificate, financial statement, note or instrument now or hereafter furnished in connection with the Assistance Agreement shall survive the execution and delivery of the Assistance Agreement and the provision of any Assistance pursuant hereto.

7.11 Termination. Unless otherwise mutually agreed upon in writing by the parties hereto, the Assistance Agreement shall terminate when all of the following conditions have been met:

- (a) the Fund determines that the Awardee has submitted to the Fund all reports and surveys required under Schedule 6;
- (b) the Fund determines that all Assistance provided hereunder has been used as permitted hereby;
- (c) the Fund determines that the Awardee has met all of its Performance Goals.

Notwithstanding the above, if the Assistance is in the form of a loan, deposit or an equity investment, this Assistance Agreement (except for Schedules 3-A, 5-A, 5-B, 6-A, 6-B, 7-A, 7-B, 7-C, 7-D, and 7-F as applicable) will continue until such time that (i) the Fund ceases to own the equity investment and/or (ii) the Fund determines that the loan and/or deposit and all accrued and unpaid interest and, if applicable, late fees thereon have been paid in full.

7.12 Applicability of Criminal Provisions. The criminal provisions of 18 U.S.C. § 657 regarding embezzlement or misappropriation of funds are applicable to all Awardees and Insiders.

7.13 Disclosure of Awardee Reports by Fund. The Fund will, consistent with applicable law, make reports described in Schedule 6 hereof available for public inspection after deleting any materials necessary to protect privacy or proprietary interests.

7.14 Limitation on Fund and Federal Liability. The liability of the Fund and the United States Government arising out of the provision of any Assistance to the Awardee hereunder shall be limited to the amount of such Assistance. The Fund shall be exempt from any assessments and other liabilities that may be imposed on controlling or principal shareholders by any Federal law or the law of any State. Nothing herein is intended or should be construed to affect the application of any Federal tax law.

7.15 Compliance with Non-Discrimination Statutes. The Awardee shall comply with all Federal statutes relating to non-discrimination, including, but not limited to: Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; the Drug Abuse Office and Treatment Act of 1972; the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970; §§ 523 and 527 of the Public Health Service Act of 1912; and Title VIII of the Civil Rights Act of 1968.

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**OPINION OF COUNSEL**

**[This form must be submitted to the Fund on the Awardee's counsel's letterhead]**

[Date]

TO: Community Development Financial Institutions Fund  
601 13<sup>th</sup> Street, N.W., Suite 200 South  
Washington, D.C. 20005  
Attention: Grants Manager

RE: [Name of Awardee] [Award No. \_\_\_\_\_]

Dear Ladies and Gentlemen:

The undersigned firm represents the above-referenced Awardee as counsel in connection with a Fiscal Year 2005 award of funds from the Community Development Financial Institutions (CDFI) Fund. We have reviewed such laws and regulations, and made such other investigations of law, as we have deemed appropriate. We have also reviewed the Assistance Agreement and such other documents and records as we have deemed necessary to render this opinion. Capitalized terms contained herein shall have the same meaning assigned to them in the Assistance Agreement.

Based upon the foregoing, the undersigned is of the opinion that:

1. Organization, Standing and Powers. The Awardee is validly existing and in good standing (if applicable) under the laws of the State of \_\_\_\_\_ and it is legally authorized to transact business in each jurisdiction in which it is authorized to use the Assistance to the extent such authorization is required to carry out the authorized use(s) of the Assistance.
2. Authorization; Consents. The execution, delivery and performance by the Awardee of the Assistance Agreement are within the Awardee's corporate powers and have been duly authorized by all requisite corporate action and no additional authorizations are required which have not been previously obtained.
3. Execution and Delivery; Binding Agreement. The Assistance Agreement and all documents related thereto to which the Awardee is a party and executed and delivered by

the Awardee as of the date hereof constitute the legal, valid and binding obligations of the Awardee enforceable in accordance with their respective terms.

4. No Conflicts. The execution, delivery and performance by the Awardee of the Assistance Agreement shall not result in any violation of and shall not conflict with, or result in a breach of any of the terms of, or constitute a default under any provision of the Awardee's incorporation, charter, organization, bylaws or other establishing documents or to our knowledge any provision of Federal or State law which the Awardee is subject or any agreement, judgment, writ, injunction, decree, order, rule or regulation to which the Awardee is a party or by which it is bound.
5. Litigation. To our knowledge, there is no suit, action, proceeding or investigation pending or threatened against the Awardee that questions the validity of the Assistance Agreement or any action taken or to be taken pursuant thereto.
6. If the Assistance is in the form of a loan:

Authorization and Legality of the Note. The Note has been duly and validly executed and authorized, and the issuance of the Note to the Fund has been duly executed and authorized by the board of directors of the Awardee. No further authorization or approval is required for the issuance of the Note. When delivered to the Fund, the Note will be validly issued.

The Offering. The offer, issue, sale and delivery of the Note constitute exempted transactions under the applicable State securities laws as now in effect, and the registration thereof under State securities laws as now in effect, is not required.

7. If the Assistance is in the form of an equity investment:

Authorization and Legality of the Stock. The board of directors of the Awardee has duly authorized the issuance and sale of the Stock to the Fund to be issued pursuant to the Assistance Agreement, and the certificates evidencing the Stock have been duly executed and delivered by the Awardee. No further approval or authorization of the board of directors or the shareholders of the Awardee will be required for the issuance and delivery of the Stock. The Stock will be, at the time of issuance and delivery, validly issued and outstanding and fully paid and nonassessable. The Stock has been reserved for issuance by all necessary corporate action on behalf of the Awardee. All of the issued and outstanding capital stock of the Awardee has been offered, issued and sold by the Awardee in compliance with the Securities Act of 1933 (the "1933 Act") and State securities laws.

The Offering. The offer, issue, sale and delivery of the Stock under the circumstances contemplated by the Assistance Agreement constitute exempted transactions under the 1933 Act and applicable State securities laws as now in effect, and the registration thereof under the 1933 Act or state securities laws as now in effect, is not required.

This opinion is based upon the laws of the State(s) of \_\_\_\_\_ and the Federal laws of the United States. This opinion is rendered solely in connection with the Fund's provision of the Assistance to the Awardee. Accordingly, it may be relied upon only by the Fund and may not be relied upon by any other party for any other purpose.

\_\_\_\_\_  
Firm Name

By: \_\_\_\_\_

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**CERTIFICATE OF THE SECRETARY**

I hereby certify that I am the duly elected, qualified and acting Secretary of the Awardee, and that:

1. This Certificate is delivered pursuant to the Assistance Agreement entered into between the Awardee and the Community Development Financial Institutions Fund (the Fund) for the above-referenced Award. All capitalized terms used herein and not otherwise specifically defined have all the respective meanings ascribed to them in the Assistance Agreement.
2. The representations and warranties set forth in the Assistance Agreement and the Assurances and Certifications contained in the Application are true and correct in all material respects as of the date hereof and as of the Effective Date.
3. The Awardee is in good standing under the laws of the State of its incorporation and the laws of the State(s) in which it is registered to conduct business. Attached hereto is a Certificate of Good Standing issued by the Secretary of State of the State of the Awardee's incorporation, certifying as to the valid existence and good standing of the Awardee in said State.
4. The Awardee has performed and complied with all applicable agreements and conditions required by the Assistance Agreement to be performed or complied with by it before or at the Closing.
5. \_\_\_\_\_ [insert name of authorized representative], the \_\_\_\_\_ [insert title of authorized representative] of the Awardee, is duly authorized to execute the Assistance Agreement on behalf of the Awardee.

**IN WITNESS WHEREOF**, I have signed this Certificate in the capacity indicated below as of this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By: \_\_\_\_\_

Name:  
Secretary

The undersigned, \_\_\_\_\_[insert name of authorized representative], hereby certifies that \_\_\_\_\_[insert name of the Secretary] is the Secretary of the Awardee and that the signature set forth above is known to me to be his/her genuine signature.

By: \_\_\_\_\_  
Name:  
Title:

**[Attach Certificate of Good Standing]**



Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**AUTHORIZED USES OF MATCHING FUNDS**

1. Authorized Uses of Matching Funds. The Awardee may use the Matching Funds to support its Comprehensive Business Plan. Specifically, the Awardee may use the Matching Funds to support its activities in the following areas, as such terms are defined in this Assistance Agreement:

- Financial Products
- Loan Loss Reserves, Capital Reserves or other uses that directly or indirectly support the activities in the Awardee's Comprehensive Business Plan.
- Operations

Related definitions:

Capital Reserves means: funds set aside on the Awardee's equity accounts to increase the Awardee's Net Capital ratio, Net Worth ratio, or Net Assets Ratio (as applicable for the Awardee).

Development Services means: activities that promote community development and are integral to the Awardee's provision of Financial Products and Financial Services. Such services shall prepare or assist current or potential borrowers or investees to utilize the Financial Products or Financial Services of the Awardee. Such services include, for example: financial or credit counseling to individuals for the purpose of facilitating home ownership, promoting self-employment, or enhancing consumer financial management skills; or technical assistance to borrowers or investees for the purpose of enhancing business planning, marketing, management, and financial management skills.

Financial Products means: loans, equity investments and similar financing activities (as determined by the Fund) including the purchase of loans originated by certified CDFIs and the provision of loan guarantees; in the case of CDFI Intermediaries, grants to CDFIs and/or emerging CDFIs and deposits in Insured Credit Union CDFIs and/or emerging Insured Credit Union CDFIs.

Financial Services means: checking, savings accounts, check cashing, money orders, certified checks, automated teller machines, deposit taking, safe deposit box services, and other similar services.

Loan Loss Reserves means: funds set aside in the form of cash reserves or through accounting-based accrual reserves that serve as a cushion to protect the Awardee against future losses.

Operations means: funds used to cover the operating expenses of the Awardee.

2. The Awardee should refer to OMB Circular A-122 (Cost Principles for Nonprofit Organizations) and OMB Circular A-110 (Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations), as applicable, for information regarding selected items of cost and unallowable items of cost. If the Assistance is provided through the NACA Program, the Awardee should refer also to OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal

Governments) and OMB Circular A-102 (Grants and Cooperative Agreements with State and Local Governments) for additional guidance on administrative requirements, as appropriate.

3. Restrictions on the Use of Matching Funds. The Awardee shall not use any Matching Funds in a manner other than as authorized hereunder, unless the Awardee consults with and obtains the prior written approval of the Fund.

4. Reporting. As part of its Annual Report, the Awardee must submit to the Fund the Financial Assistance and Matching Funds Report (Schedule 7-C of this Assistance Agreement), describing its use of the Matching Funds.

**Award No.:** \_\_\_\_\_  
**Awardee:** \_\_\_\_\_

**CERTIFICATION OF MATCHING FUNDS**

The Awardee hereby certifies that:

1. Funds used by the Awardee as Matching Funds for purposes of the Assistance Agreement have not been used by the Awardee to satisfy a legal requirement under another Federal grant or award program. To the extent that the Awardee has expended any of the Matching Funds prior to the execution of the Assistance Agreement, any such expenditure of the Matching Funds promoted the purpose of the Awardee's Comprehensive Business Plan.
2. The funds described on Schedule 3-C, "Matching Funds Analysis," (a) have been received by the Awardee, and (b) satisfy all Matching Funds requirements set forth in 12 C.F.R. 1805.500 et seq. and the NOFA.
3. All information contained in or attached to this Certification of Matching Funds is true, accurate and complete.

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**MATCHING FUNDS ANALYSIS****MATCHING FUNDS FOR GRANTS**

No.	Donor	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

**Grant Matching Funds Subtotal: \$****MATCHING FUNDS FOR LOANS**

No.	Lender	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

**Loan Matching Funds Subtotal: \$**

**MATCHING FUNDS FOR EQUITY INVESTMENTS/SECONDARY CAPITAL**

No.	Investor	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

**Equity Investment Matching Funds Subtotal: \$**

**MATCHING FUNDS FOR DEPOSITS**

No.	Investor	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

**Deposit Matching Funds Subtotal: \$**

**Total Matching Funds: \$**

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**SUBSIDIARIES AND AFFILIATES**

The Awardee hereby certifies that the following is an accurate and complete listing of the Awardee's Subsidiaries and Affiliates:

	<b>Subsidiary/Affiliate Name</b>	<b>Employer Identification Number</b>
1		
2		
3		
4		
5		
6		
7		
8		
9		

Note: Through its myCDFIFund account, the Awardee must maintain complete and current information regarding all Subsidiaries and Affiliates. If all or any portion of the Assistance is transferred to any Subsidiary or Affiliate, said Subsidiary or Affiliate must establish its own myCDFIFund account.

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**AUTHORIZED USES OF TECHNICAL ASSISTANCE**

The Fund hereby agrees to provide and the Awardee hereby agrees to accept the Technical Assistance pursuant to the following terms, conditions and agreements.

1. Authorized Uses of Technical Assistance. The Awardee shall use the Technical Assistance only as follows:

<b>AUTHORIZED USES OF FUNDS</b>			
<b>TOTAL TA AWARD:</b>			
<b>CATEGORY OF USE</b>	<b>DESCRIPTION OF AUTHORIZED USE</b>	<b>AMOUNT OF AUTHORIZED USE</b>	<b>CATEGORY TOTAL</b>
<b>CONSULTING</b>			\$
		\$	
		\$	
		\$	
<b>TECHNOLOGY</b>			\$
		\$	
		\$	
		\$	
<b>TRAINING</b>			\$
		\$	
		\$	
		\$	
<b>OTHER</b>			\$
		\$	
		\$	
		\$	

2. The Awardee should refer to OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) or OMB Circular A-122 (Cost Principles for Nonprofit Organizations) for information regarding selected items of cost and unallowable items of cost.

3. Modifications. The Awardee must submit a written request and obtain prior written approval from the Fund for certain modifications to the authorized Uses of Funds, set forth on the chart above:

- (a) Elimination of a Task: The Awardee must obtain prior written approval from the Fund if the Awardee wants to eliminate an approved use (set forth on the Uses of Funds chart above). The Fund reserves the right to approve alternative uses resulting from the elimination.
- (b) Addition of a New Task: The Awardee must obtain prior written approval from the Fund if the Awardee wants to use cost savings from an approved use for a new use (meaning, one that is not authorized on the Uses of Funds chart above), if the cost savings to be used exceed \$10,000. If the cost savings are \$10,000 or less, the Awardee does not need to obtain the Fund's prior written approval to use said cost savings for a new use; provided, however, that the new use must (1) build the Awardee's capacity to serve its Target Market or become certified as a CDFI; and (2) fall clearly within the Uses of Funds categories set forth on the chart above and be allowable under OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) or OMB Circular A-122 (Cost Principles for Nonprofit Organizations). The Fund reserves the right to require the Awardee to repay all or a portion of the TA if it expends the TA for a use that the Fund determines does not meet the aforementioned criteria.
- (c) Transfer of Funds Among Categories: The Awardee must obtain prior written approval from the Fund if the Awardee wants to transfer more than \$10,000 resulting from cost savings within one category for use within another category (meaning, one that is authorized on the Uses of Funds chart above).

The Awardee does not need to obtain prior written approval from the Fund if the Awardee wants to use cost savings on approved uses within one category for an approved use of funds within the same category.

4. Standard Form 269-A. The Awardee must submit a Standard Form 269-A (see Schedule 7-B, which is an accounting of federal Technical Assistance expenses form required of all Technical Assistance Awardees) as part of its Annual Report (see Schedule 6-A). In addition to the annual filing, Technical Assistance Awardees must submit a final Standard Form 269-A indicating full expenditure of the award. If, after a review of the final Annual Report, the Fund determines that the Technical Assistance award has not been fully expensed, the Fund may: (i) establish a date by which the expenditure must occur and the final Standard Form 269-A must be submitted to the Fund; (ii) require that the Awardee return any unused funds and submit the final Standard Form 269-A to the Fund; and/or (iii) take such actions as the Fund deems appropriate and necessary.

5. Uses of Technical Assistance Report. As part of its Annual Report (see Schedule 6-A), the Awardee must submit a Uses of Technical Assistance Report (see Schedule 7-F), which is a progress report of its expenditure of the Technical Assistance. If the Awardee has not completed the authorized use, it must use this report to explain when and how it plans to complete the authorized use.



6. Restrictions on the Use of Assistance.

- (a) The Awardee shall not distribute Assistance to any Affiliate or Subsidiary without the Fund's prior written consent.
- (b) The Awardee shall not use any Assistance provided hereunder to pay any person to influence or attempt to influence any agency, elected official, officer or employee of a State, local or Tribal government in connection with the making, award, extension, continuation, renewal, amendment, or modification of any State, local or Tribal government contract, grant, loan or cooperative agreement as such terms are defined in 31 U.S.C. § 1352.
- (c) The Awardee shall not use any Assistance to pay any costs incurred in connection with (i) any defense against any claim or appeal of the United States Government, any agency or instrumentality thereof (including the Fund), against the Awardee, or (ii) any prosecution of any claim or appeal against the United States Government, any agency or instrumentality thereof (including the Fund), which the Awardee instituted or in which the Awardee has joined as a claimant.
- (d) The Awardee may not use any Assistance provided hereunder for the purpose of covering expenses, including consultant fees, related to the preparation of an application for certification or funding to the CDFI Fund.
- (e) The Awardee may not use any Assistance provided hereunder to cover the costs of organized fund raising (including financial campaigns, solicitations of gifts and requests, grant writing, and similar expenses incurred to raise capital or obtain contributions) regardless of the purpose for which the funds will be used. For additional information regarding fund raising and investment management costs, please refer to OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) or OMB Circular A-122 (Cost Principles for Non-Profit Organizations), as applicable.

7. Disposition of Advances of Technical Assistance. Except as otherwise provided in OMB Circular Number A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, as amended, Advances of Technical Assistance shall be deposited and maintained in insured, interest-bearing accounts. Interest earned in excess of certain amounts in each Awardee fiscal year on any Advances of Federal grant monies including, but not limited to, the Technical Assistance provided under the Assistance Agreement shall be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$250 in each Awardee fiscal year may be retained by the Awardee for administrative expenses. If the Assistance is provided through the NACA Program, the Awardee should refer also to OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments, for additional guidance on administrative requirements, as appropriate.

8. Use of TA Funds for Consulting. If the Awardee is authorized by the Fund to use any portion of the Technical Assistance award to engage a consultant or contractor, the Awardee may expend the

approved dollars to acquire the services of a consultant or contractor to provide a good (such as policies and procedures or a market analysis) or service.

9. Salary Reimbursement Rates. The Awardee shall not use any of the Assistance to pay or provide reimbursement for payment of the salary of a consultant at more than the daily or hourly rate equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law. For calendar year 2006, this daily rate equivalent is **\$550; the maximum hourly rate is \$68.75.** This rate will change for calendar year 2007. The current federal reimbursement rates may be found at the Office of Personnel Management website at [http://www.opm.gov/Federal\\_Salaries\\_Wages/](http://www.opm.gov/Federal_Salaries_Wages/). The Awardee may pay more than the maximum hourly or daily rates, but may not use federal funds to do so. For more information, please refer to the Uses of Funds Parameters guidance on the Awardees page of the Fund's website.

10. Use of TA Funds for Training. If the Awardee is authorized by the Fund to use any portion of the Technical Assistance for training, the Awardee may expend the approved dollars to cover (i) reasonable costs of conference / seminar registration / tuition, (ii) required supplies or materials, and (iii) travel (consistent with the Awardee's travel policies).

11. Use of TA Funds for Technology. If the Awardee is authorized by the Fund to use any portion of the Technical Assistance for technology acquisition, the Awardee may expend the approved dollars to acquire items such as (but not limited to) computer hardware, software and office equipment. The Awardee must install said technology in its offices and/or make it available for staff use.

12. Use of TA Funds for Other. If the Awardee is authorized to use any portion of the Technical Assistance to cover expenses other than those listed under Training, Technology, or Consulting, the Awardee may expend the approved dollars to acquire goods or services allowed by OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) or OMB Circular A-122 (Cost Principles for Nonprofit Organizations) including, but not limited to, Personnel- Salary or Fringe Benefits, Travel Costs, Materials and Supplies.

13. Governing Board Approval of Changes of Uses of TA Funds. The Awardee's governing board (or such person that the Governing Board designates) must approve (i) any change in vendor if a specific consultant is identified in the approved uses of TA funds and (ii) any recommendations or materials resulting from a TA-funded consultant, prior to implementation of said recommendations.

14. Procurement of Goods and Services. The Awardee shall include in all of its procurement contracts for which it is using Technical Assistance funds to procure goods or services and expected to equal or exceed \$25,000 in amount, a representation that the individual or entity (or principal thereof) providing the service or goods is currently not debarred, suspended, excluded or disqualified by the Department of Treasury or any other Federal department or agency.

15. Transfer of Technical Assistance Funds; Transfer of Equipment, Supplies Materials, Products, and Other Items Acquired or Produced with Technical Assistance Funds. If the Awardee is classified as a "Sponsoring Entity" through the NACA Program and was awarded Technical Assistance to

support the creation of an entity that must apply for CDFI certification, the Awardee must transfer all unspent Technical Assistance funds and all equipment, supplies, materials, products, and other items acquired or produced with the Technical Assistance funds to the new entity within thirty (30) days of the date of the Fund's notice that the new entity has been certified as a CDFI.

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**AUTHORIZED USES OF FINANCIAL ASSISTANCE**

The Fund hereby agrees to provide and the Awardee hereby agrees to accept the Financial Assistance pursuant to the following terms, conditions and agreements.

1. Authorized Uses of Financial Assistance. The Awardee may use the Financial Assistance to support its Comprehensive Business Plan. Specifically, the Awardee may use the Financial Assistance to support its activities in the following areas, as such terms are defined in this Assistance Agreement:

- Financial Products
- Loan Loss Reserve, Capital Reserves or other uses that directly or indirectly support the activities in the Awardee's Comprehensive Business Plan.
- Operations

Related definitions:

Capital Reserves means: funds set aside on the Awardee's equity accounts to increase the Awardee's Net Capital ratio, Net Worth ratio, or Net Assets ratio (as applicable for the Awardee).

Development Services means: activities that promote community development and are integral to the Awardee's provision of Financial Products and Financial Services. Such services shall prepare or assist current or potential borrowers or investees to utilize the Financial Products or Financial Services of the Awardee. Such services include, for example: financial or credit counseling to individuals for the purpose of facilitating home ownership, promoting self-employment, or enhancing consumer financial management skills; or technical assistance to borrowers or investees for the purpose of enhancing business planning, marketing, management, and financial management skills.

Financial Products means: loans, equity investments and similar financing activities (as determined by the Fund) including the purchase of loans originated by certified CDFIs and the provision of loan guarantees; in the case of CDFI Intermediaries, grants to CDFIs and/or emerging CDFIs and deposits in Insured Credit Union CDFIs and/or emerging Insured Credit Union CDFIs.

Financial Services means: checking, savings accounts, check cashing, money orders, certified checks, automated teller machines, deposit taking, safe deposit box services, and other similar services.

Loan Loss Reserves means: funds set aside in the form of cash reserves or through accounting-based accrual reserves that serve as a cushion to protect the Awardee against future losses

Operations means: funds used to cover the operating expenses of the Awardee.

2. The Awardee should refer to OMB Circular A-122 (Cost Principles for Nonprofit Organizations) for information regarding selected items of cost and unallowable items of cost. If the Assistance is provided through the NACA Program, the Awardee should refer also to OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) for additional guidance on administrative requirements, as appropriate.

3. Restrictions on the Use of Assistance.

- (a) The Awardee shall not use any Assistance provided hereunder in a manner other than as authorized hereunder, unless the Awardee consults with and obtains the prior written approval of the Fund.
- (b) The Awardee shall not distribute Assistance to any Affiliate or Subsidiary without the Fund's prior written consent.
- (c) The Awardee shall not use any Assistance provided hereunder to pay any person to influence or attempt to influence any agency, elected official, officer or employee of a State or local government in connection with the making, award, extension, continuation, renewal, amendment, or modification of any State or local government contract, grant, loan or cooperative agreement as such terms are defined in 31 U.S.C. § 1352.
- (d) The Awardee shall not use any Assistance to pay any costs incurred in connection with (i) any defense against any claim or appeal of the United States Government, any agency or instrumentality thereof (including the Fund), against the Awardee, or (ii) any prosecution of any claim or appeal against the United States Government, any agency or instrumentality thereof (including the Fund), which the Awardee instituted or in which the Awardee has joined as a claimant.
- (e) The Awardee may not use any Assistance provided hereunder for the purpose of covering expenses, including consultant fees, related to the preparation of an application for certification or funding to the CDFI Fund.
- (f) The Awardee may not use any Assistance provided hereunder to cover the costs of organized fund raising (including financial campaigns, solicitations of gifts and requests, grant writing, and similar expenses incurred to raise capital or obtain contributions) regardless of the purpose for which the funds will be used. For additional information regarding fund raising and investment management costs, please refer to OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) or OMB Circular A-122 (Cost Principles for Non-Profit Organizations), as applicable.

4. Disbursement of Funds. The Awardee must request disbursement (providing the Fund with all required supporting documentation) of the Assistance, in full, by no later than nine months prior to the Termination Date of this Assistance Agreement or no later than **May 31, 2009**. If the Awardee does not request disbursement of all of the Assistance by said date, the Fund, in its sole discretion, may terminate its obligation to disburse said funds.

5. Reporting. As part of its Annual Report, the Awardee must submit to the Fund the Financial Assistance and Matching Funds Report (Schedule 7-C of this Assistance Agreement), describing its use of the Financial Assistance.

6. Nonprocurement Transactions. The Awardee shall include in all of its nonprocurement transaction agreements, for which it is using Financial Assistance funds, a representation that the

individual or entity (or principal thereof) receiving the Financial Assistance funds is currently not debarred, suspended, excluded or disqualified by the Department of Treasury or any other Federal department or agency.

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**ANNUAL REPORT**

Throughout the term of this Assistance Agreement, the Awardee must provide to the Fund an Annual Report, which comprises multiple components.

A. **Awardee Annual Report Requirements:** The Awardee must submit each component of the Annual Report that is marked as “Applicable” in the following chart:

Applicable if Checked	Annual Report Component	How/where to submit:
X	<b><u>Financial Report</u></b> (Financial Statements)	<p>If the Awardee is <u>not</u> an Insured Credit Union, Insured Depository Institution, or Depository Institution Holding Company, it must submit Financial Reports either (i) to the Fund’s Grants Manager via mail, facsimile or e-mail or (ii) through the Fund’s Community Investment Impact System (CIIS), which the Awardee will access through its myCDFIFund account.</p> <p>If the Awardee is an Insured Credit Union, Insured Depository Institution, or Depository Institution Holding Company, it is not required to submit Financial Reports; the Fund will obtain the necessary financial information from publicly available sources.</p>
X	<b><u>Auditors/Accountant’s Report, and/or A-133</u></b>	If the Awardee is required to have a single audit pursuant to OMB Circular A-133, it must submit such audit in accordance with Schedule 6-B hereof. If the Awardee is not required to have a single audit pursuant to OMB A-133, it must submit to the Fund a signed statement stating such
X	<b><u>Institution Level Report</u></b> (ILR)	<p>The Fund uses the information provided in the ILR and, if applicable, the TLR to determine the Awardee’s compliance with the Performance Goals set forth in Schedule 7-A, and to measure overall performance.</p> <p>The ILR and the TLR must be submitted electronically through the Fund’s Community Investment Impact System (CIIS), which the Awardee will access through its myCDFIFund account.</p> <p>After the ILR and TLR are submitted to the Fund, the Fund’s CIIS Help Desk will review the report and send any questions to the Awardee. If the Awardee fails to respond to such questions within the Fund’s required timeframe, the report will be considered not submitted.</p>
X	<b><u>Transaction Level Report</u></b> (TLR)	
X	<b><u>Financial Status Report/OMB</u></b>	If the Awardee receives Technical Assistance, it must submit

	<b>Standard Form 269-A (Schedule 7-B)</b>	the Financial Status Report to the Fund's Grants Manager via mail, facsimile or e-mail.
X	<b><u>Uses of Financial Assistance and Matching Funds Report (Schedule 7-C)</u></b>	If the Awardee receives Financial Assistance, it must submit the Uses of Financial Assistance and Matching Funds Report to the Fund's Grants Manager via mail, facsimile or e-mail.
X	<b><u>Explanation of Noncompliance (as applicable) (Schedule 7-D)</u></b>	If the Awardee fails to meet a Performance Goal, it must submit the Explanation of Noncompliance to the Fund's Grants Manager via mail, facsimile or e-mail.
	<b><u>Shareholders Report (Schedule 7-E)</u></b>	If the Assistance is in the form of an Equity Investment, the Awardee must submit the specified shareholder information to the Fund's Grants Manager via mail, facsimile or e-mail.
X	<b><u>Uses of Technical Assistance Report (Schedule 7-F)</u></b>	If the Awardee receives Technical Assistance, it must submit the Uses of Technical Assistance Report to the Fund's Grants Manager via mail, facsimile or e-mail.

**For questions related to these reporting requirements, call the Fund's Compliance Monitoring and Evaluation Unit at (202) 622-8226 or send an e-mail to [cme@cdfi.treas.gov](mailto:cme@cdfi.treas.gov).**

**B. Signatory Annual Report Requirements:** If there are signatories to this Assistance Agreement in addition to the Awardee, the Awardee is responsible for ensuring that each such signatory submits the reports, checked as "applicable" below:

<b>Signatory Organization Name</b>	<b>Organization EIN</b>	<b>Certified CDFI: Y/N</b>	<b>ILR</b>	<b>TLR</b>	<b>Financial Report</b>
N/A					

If a Financial Report is required of a signatory(ies) listed above, the Awardee may submit combined financial statements for the Awardee and other signatory(ies), provided that the financial position of each signatory is reported separately.

**C. Report Deadlines:** The Awardee (and all other signatories to the Assistance Agreement, if applicable) must submit to the Fund the required reports by the dates set forth on Schedule 6-B of this Assistance Agreement.



I. **FINANCIAL REPORT/A-133:** The financial report will be reviewed by the Fund to determine that the Awardee is financially and managerially sound. The Awardee's A-133 will be reviewed by the Fund to determine the following: i) whether the Awardee's financial statements are presented fairly in all material respects in conformity with GAAP and an opinion (or disclaimer of opinion) as to whether the schedule of expenditures of Federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole; ii) the condition of the Awardee's internal control related to its financial statements and major programs and iii) the Awardee's compliance with laws, regulations and the provisions of contracts or grant agreements, which could have a direct and material effect on each of its major program.

#### **A. Non-Profit Organizations**

1. **All non-profit organizations (excluding all regulated financial institutions)** must submit to the Fund financial statements that have been prepared and reviewed by an independent certified public accountant in accordance with *Statements on Standards for Accounting and Review Services*, issued by the American Institute of Certified Public Accountants. The financial statements must include the related auditor's or accountant's review report, a statement of financial position, a statement of activities, and a statement of cash flows. The financial statements must be submitted no later than 180 days after the end of the Awardee's fiscal year (audited financial statements can be provided by the due date in lieu of reviewed statements, if available).
2. **Non-profit organizations, including regulated institutions, that are required to have their financial statements audited pursuant to OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations,** must also submit their single audit pursuant to OMB Circular A-133 to the Fund no later than 270 days after the end of the Awardee's fiscal year.
3. **Non-profit organizations, including regulated institutions, that are NOT required to have financial statements audited pursuant to OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations,** must submit to the Fund a statement signed by the Awardee's Authorized Representative or certified public accountant, asserting that the Awardee is not required to have a single audit pursuant to OMB Circular A-133 no later than 180 days after the end of the Awardee's fiscal year.

**B. For-Profit Organizations (excluding all regulated financial institutions)** must submit to the Fund financial statements prepared and audited in conformity with generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants. Financial statements must include the related auditor's or accountant's review report, a statement of financial position and a statement of cash flows. The financial statements must be submitted no later than 180 days after the end of the Awardee's fiscal year.

**C. Regulated Financial Institutions (Insured Depository Institutions, Depository Institution Holding Companies, and Insured Credit Unions), including regulated non-profit organizations,** are not required to submit financial statements to the Fund, except as required under I.A.2 above. The Fund will obtain the necessary information from publicly available sources.

## D. Special Situations

1. **Submission of combining financial statements:** The Awardee may submit combined financial statements and footnotes as long as the financial statements of the Awardee and, if applicable, every other signatory to the Assistance Agreement, are shown separately as part of combining financial statements. The combining financial statements can be presented as supplemental information.
2. **If the Assistance is in the form of a loan or a deposit:** The Awardee must provide the Fund with a Financial Report annually throughout the term of the loan or deposit.
3. **If the Assistance is in the form of an equity investment (common or preferred stock, secondary capital, partnership interest, debentures, cooperative shares):** The Awardee must provide the Fund with a Financial Report annually for each year in which the Fund holds the equity investment.

**II. INSTITUTION AND TRANSACTION LEVEL REPORTS:** The Fund uses the information provided by the Awardee in the Institution Level Report (ILR) and, if applicable, the Transaction Level Report (TLR) to determine the Awardee's compliance with the Performance Goals set forth in Schedule 7-A of this Assistance Agreement, and to measure overall performance.

- A. **Institution Level Report (ILR).** The ILR includes, but is not limited to, organizational, financial, and Development Services information, and any other information that the Fund deems appropriate. The Awardee must submit the ILR to the Fund at least annually. **All Awardees must submit ILRs.**
- B. **Transaction Level Report (TLR).** The TLR includes, but is not limited to, specific data elements on each of the Awardee's loans and investments including, but not limited to, borrower location, loan/investment type, loan/investment amount, and terms. The Awardee must submit the TLR to the Fund at least annually; however, the Awardee may be required to submit a semi-annual or quarterly TLR. If the Fund requires the Awardee to submit a semi-annual or quarterly TLR, the Fund will notify the Awardee of the due date for the submission of said report at least 60 days prior to the due date. **The TLR is mandatory for any Awardee that receives Financial Assistance.**
- C. **After the ILR and TLR are submitted to the Fund, the Fund's CIIS Help Desk will review the report and send any questions to the Awardee. If the Awardee fails to respond to such questions within the Fund's required timeframe, the report will be considered not submitted.**

**III. FINANCIAL STATUS REPORT** (OMB Standard Form 269-A, found at Schedule 7-B of this Assistance Agreement): The Financial Status Report must be completed and submitted by any Awardee that receives Technical Assistance (an Awardee that receives only a Financial Assistance award need not complete this form). The Awardee's Authorized Representative must sign the form. This form is only applicable to the Technical Assistance portion of the Assistance.

**IV. USES OF FINANCIAL ASSISTANCE AND MATCHING FUNDS REPORT** (Schedule 7-C of this Assistance Agreement): Through this report, the Awardee must describe the use of its Financial Assistance and its Matching Funds during its preceding fiscal year. This report must be completed and submitted by any Awardee that receives Financial Assistance (an Awardee that receives only Technical Assistance need not complete this form). This form is only applicable to the Financial Assistance portion of the Assistance.

**V. EXPLANATION OF NONCOMPLIANCE** (Schedule 7-D of this Assistance Agreement): If the Awardee fails to meet any Performance measure, it must submit responses to the questions listed in the Explanation of Noncompliance. The Fund will use the Awardee's responses to the Explanation of Noncompliance, its past performance toward meeting the performance benchmark(s), its overall activity levels, and any other information deemed appropriate by the Fund to determine whether the Awardee is in default of its Assistance Agreement for noncompliance with the Performance measures.

**VI. SHAREHOLDERS REPORT** (Schedule 7-E of this Assistance Agreement): If the Assistance is in the form of an equity investment, the Awardee must submit the Shareholders Report, signed by its Authorized Representative, with each Annual Report.

**VII. USES OF TECHNICAL ASSISTANCE REPORT** (Schedule 7-F of this Assistance Agreement): The Awardee must submit a Uses of Technical Assistance Report, which is a progress report of its expenditure of the Technical Assistance. If the Awardee has not completed the authorized uses, it must use this report to explain when and how it plans to complete the authorized uses.

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**ANNUAL REPORT SUBMISSION DEADLINES**

Annual Report Deadlines (for all components except the A-133 Audit Report)	
For period ending on:	Due date:
	[FYE + 180 days]

A-133 Audit Report Deadlines [if applicable: to be determined by Awardee annually]		
For period ending on:	A-133 Narrative Statement Due Date:	A-133 Audit Due Date:
	[FYE + 180 days]	[FYE + 270 days]

Award No. \_\_\_\_\_

Awardee: \_\_\_\_\_

**PERFORMANCE GOALS**

This Schedule contains Performance Goals and related measures that the Awardee must achieve during the Performance Period of this Assistance Agreement. The Performance Goals and measures are derived from the Comprehensive Business Plan and the Application. The Fund may determine that the Awardee's failure to achieve any Performance Goal or measure constitutes an Event of Default under this Assistance Agreement. The Awardee's compliance with the Performance Goals will be measured by information that the Awardee submits in its ILR and TLR.

**GOAL 1: Financial and managerial soundness:** The Awardee must demonstrate that it has maintained financial and managerial soundness by meeting each performance measure below. If the Awardee does not meet the performance measures, the Fund may consider the Awardee's performance with regard to other measures such as, but not limited to, the Awardee's annual net revenue, net asset ratio, current ratio, and self-sufficiency ratio.

**Data collection and calculation:** The data for Goal 1 measures shall be obtained and/or calculated by the Fund from the Awardee's (and other signatories' to this Assistance Agreement, if applicable) Annual Report, publicly available sources, and/or the Appropriate Federal Banking Agency.

**The Awardee's Performance Period includes the following fiscal years:**

Performance Period		
	For period beginning on:	For period ending on:
Year 1	[fiscal year beginning date]	[fiscal year end date]
Year 2		
Year 3		

Goal and Measure Numbers	<u><b>Goal 1 Measures</b></u>
<p><b>1-1</b></p> <p>[Regulated CDFIs; FA, TA]</p>	<p><b><u>Regulated CDFI Safety and Soundness</u></b> (for Insured Credit Unions, Insured Depository Institutions and Depository Institution Holding Companies only): At each fiscal year end during the Performance Period, the Awardee shall have received from its Appropriate Federal Banking Agency (or state regulatory agency, in the case of a State-Insured Credit Union) a composite CAMEL rating of 1, 2 or 3. If the CAMEL rating is unavailable, the Fund will ascertain from the Appropriate Federal Banking Agency (or state regulatory agency) that the Awardee's safety and soundness are acceptable.</p> <p><b><u>Note:</u></b> The Awardee is not required to submit this information to the Fund. The Fund will obtain this information from publicly available sources and/or the Appropriate Federal Banking Agency.</p>
<p><b>1-2</b></p> <p>[Non-regulated CDFIs; FA; NACA; TA]</p>	<p><b><u>Operating Liquidity Ratio:</u></b> At each fiscal year end during the Performance Period, the Awardee must demonstrate an operating liquidity ratio of at least 1.0, calculated as follows: [Cash and cash equivalents available for operating expenses] divided by [0.25 x the Awardee's total (pre-tax) operating expenses for the most recently completed fiscal year]. The resulting number is the operating liquidity ratio.</p>
<p><b>1-3</b></p> <p>[Non-regulated CDFIs; FA; NACA/FA]</p>	<p><b><u>Portfolio at risk (PAR) ratio:</u></b> At each fiscal year end during the Performance Period, the Awardee must have a PAR of no greater than 15%, calculated as follows: [aggregate dollar amount of all loans outstanding which have payments that are 90 days or more past due] divided by [aggregate dollar amount of gross loans outstanding].</p>
<p><b>1-4</b></p> <p>[Non-regulated CDFIs; FA; NACA/FA]</p>	<p><b><u>Equity Investments:</u></b> At each fiscal year end during the Performance Period, the Awardee will review the change in value of each equity investment in its portfolio that has been held for 12 months or more. No more than 50% of those individual equity investments shall have decreased in value from the Awardee's prior fiscal year end.</p> <p>For example, if the portfolio has 11 investments that can be compared to a prior year value and 6 of such investments decreased in value from the prior year, the Awardee would report that 54% (6 divided by 11) of its portfolio of investments has decreased in value for that fiscal year end. The Awardee would fail to achieve the measure because the calculation exceeds 50%.</p>

**GOAL 2: Deployment of resources:** The Awardee will demonstrate that it has deployed certain levels of Financial Products, Financial Services, or Development Services to benefit the Awardee's Target Market.

**Data collection and calculation:** The data for Goal 2 shall be obtained and/or calculated by the Fund from the Awardee's (and other signatories' to this Assistance Agreement, if applicable) Annual Report, submitted to the Fund through CIIS. To maintain compliance with this Performance Goal, the Awardee must demonstrate, for each performance period that it meets the required activity levels in the Target Market.

Goal and Measure Numbers	Goal 2 Measure										
<p><b>2-1</b> [FA, NACA/FA]</p>	<p>At each fiscal year end during the Performance Period, the Awardee must have deployed Financial Assistance in its Target Market in an amount equal to: 25% of the total Financial Assistance by the end of the first fiscal year of the Performance Period, 50% of the total Financial Assistance by the end of the second fiscal year of the Performance Period, and 80% of the total Financial Assistance by the end of the third fiscal year of the Performance Period.</p> <p><b><u>Benchmarks:</u></b></p> <table data-bbox="959 852 1482 1014"> <tr> <th data-bbox="959 852 1222 888">% To Target Market</th><th data-bbox="1222 852 1482 888"></th></tr> <tr> <td data-bbox="959 888 1222 919">Total dollar amount of Financial Assistance:</td><td data-bbox="1222 888 1482 919">\$</td></tr> <tr> <td data-bbox="959 919 1222 951">Performance Period, year 1 benchmark (25%):</td><td data-bbox="1222 919 1482 951">\$</td></tr> <tr> <td data-bbox="959 951 1222 982">Performance Period, year 2 benchmark (50%):</td><td data-bbox="1222 951 1482 982">\$</td></tr> <tr> <td data-bbox="959 982 1222 1014">Performance Period, year 3 benchmark (80%):</td><td data-bbox="1222 982 1482 1014">\$</td></tr> </table> <p><b><u>Calculation:</u></b></p> <p>For purposes of this measure, the cumulative dollar amount of transactions closed during each performance period will be calculated as follows:</p> <p><b>For the first fiscal year of the Performance Period:</b> the aggregate dollar amount of transactions closed during the period.</p> <p><b>For the second fiscal year of the Performance Period:</b> the aggregate dollar amount of transactions closed during the first fiscal year of the Performance Period plus the aggregate dollar amount of transactions closed during the second fiscal year of the Performance Period.</p> <p><b>For the third fiscal year of the Performance Period:</b> the aggregate dollar amount of transactions closed during the first fiscal year of the Performance Period plus the aggregate dollar amount of transactions closed during the second fiscal year of the Performance Period plus the aggregate dollar amount of transactions closed during the third fiscal year of the Performance Period.</p>	% To Target Market		Total dollar amount of Financial Assistance:	\$	Performance Period, year 1 benchmark (25%):	\$	Performance Period, year 2 benchmark (50%):	\$	Performance Period, year 3 benchmark (80%):	\$
% To Target Market											
Total dollar amount of Financial Assistance:	\$										
Performance Period, year 1 benchmark (25%):	\$										
Performance Period, year 2 benchmark (50%):	\$										
Performance Period, year 3 benchmark (80%):	\$										

**GOAL 3: Build capacity through Technical Assistance:** If the Awardee received a Technical Assistance award, it must report on its use of the award, its progress toward CDFI certification (as applicable), and the completion of Technical Assistance activities set forth on Schedule 5-A (Authorized Uses of Technical Assistance) of this Assistance Agreement, using Schedule 7-F.

**Data Collection:** The data for Goal 3 shall be obtained and/or calculated by the Fund from the Awardee's (and other signatories' to this Assistance Agreement, if applicable) Institution Level Report, submitted to the Fund through CIIS.

Goal and Measure Numbers	Goal 3 Measure
<b>3-1</b> [FA w/ TA, TA, NACA/TA]	<b><u>Use of TA:</u></b> The Awardee must expend the Technical Assistance for the purposes set forth on Schedule 5-A of this Assistance Agreement (Authorized Uses of TA) and complete those activities no later than [MM/DD/YY].

**GOAL 4: CDFI Creation:** The Awardee must establish a legal entity that will be certified as a CDFI.

Goal and Measure Numbers	Goal 4 Measure
<b>4-1</b> [NACA Sponsoring Entities]	The Awardee must have official documentation, issued by the appropriate Federal, State, or Tribal agency, that the new entity has been incorporated or otherwise legally established by [MM/DD/YY].

**GOAL 5: CDFI certification:** The Awardee must obtain certification as a CDFI by the Fund.

**Data Collection:** The Awardee need not submit data for Goal 5.

Goal and Measure Numbers	Goal 5 Measure
<b>5-1</b> [Uncertified NACA / TA]	The Awardee must be certified as a CDFI by the Fund by [MM/DD/YY].  Note: The Fund strongly encourages the Awardee to submit its certification application no later than 90 days prior to the performance measure date. If such application is not received by that time, the Awardee bears the risk of failing to meet the performance measure and thus may be found to be in default of this Assistance Agreement.
<b>5-2</b> [NACA Sponsoring Entities]	The legal entity created by the Awardee must be certified as a CDFI by the Fund by [MM/DD/YY].  Note: The Fund strongly encourages the Awardee to submit its certification application no later than 90 calendar days prior to the performance measure date. If a complete certification application is not received by the Fund 90 calendar days prior to the performance measure date, the Awardee risks not meeting the performance measure date and thus may be found to be in default of this Assistance Agreement.



**Award No.** \_\_\_\_\_  
**Awardee:** \_\_\_\_\_

**FINANCIAL STATUS REPORT  
OMB STANDARD FORM 269-A**

Please refer to the "Awardee" page of the Fund's website at [www.cdfifund.gov](http://www.cdfifund.gov) for OMB guidance on completing the Standard Form 269-A, below.

## FINANCIAL STATUS REPORT (Short Form)

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency		OMB Approval No. 0348-0039	Page of  Pages
3. Recipient Organization (Name and complete address, including ZIP code)					
4. Employer Identification Number		5. Recipient Account Number or Identifying Number		6. Final Report [ ] Yes [ ] No	7. Basis [ ] Cash [ ] Accrual
8. Funding/Grant Period (See Instructions) From: (Month, Day, Year)		To: (Month, Day, Year)		9. Period Covered by this Report From: Month, Day, Year To: (Month), Day, Year	
10. Transactions:		I Previously Reported	II This Period	III Cumulative	
a. Total outlays				0.00	
b. Recipient share of outlays					
c. Federal share of outlays		0.00	0.00	0.00	
d. Total unliquidated obligations					
e. Recipient share of unliquidated obligations					
f. Federal share of unliquidated obligations					
g. Total federal share (sum of lines c and f)				0.00	
h. Total federal funds authorized for this funding period					
i. Unobligated balance of federal funds (Line h minus line g)				0.00	
11. Indirect Expense	a. Type of Rate (Place "X" in appropriate box) [ ] Provisional [ ] Predetermined [ ] Final [ ] Fixed				
	b. Rate	c. Base	d. Total Amount	e. Federal Share	
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation					
13. Certification <b>I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents</b>					
Typed or Printed Name and Title			Telephone (area code, number and extension)		
Signature of Authorized Certifying Official			Date Report Submitted		

Award No. \_\_\_\_\_

Awardee: \_\_\_\_\_

Total amount of Financial Assistance: \$ \_\_\_\_\_

**USES OF FINANCIAL ASSISTANCE AND MATCHING FUNDS REPORT**

Using the chart below, the Awardee must report on its uses of the Financial Assistance and Matching Funds, including those dollars that have been allocated or expensed by an Affiliate or Subsidiary. Complete the chart by filling in the use of the Financial Assistance and Matching Funds for each year listed below. Please refer to Schedule 3-A (Authorized Uses of Matching Funds) and Schedule 5-B (Authorized Uses of Financial Assistance).

Uses of Financial Assistance and Matching Funds	Financial Assistance (see Schedule 5-B)			Matching Funds (see Schedule 3-C) *					
	FY 2007	FY 2008	FY 2009	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Financial Products	\$	\$	\$	\$	\$	\$	\$	\$	\$
Loan Loss Reserves	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital Reserves	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operations	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>TOTAL:</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$

\* The Awardee must report on its use of Matching Funds from January 1, 2004 (the start of the Matching Funds period set forth in the FY 2006/07 Financial Assistance Component NOFA and the FY 2006/07 NACA Program NOFA) through the end of the applicable reporting period.

**Award No.** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**EXPLANATION OF NONCOMPLIANCE**

If the Awardee fails to meet any of the Performance Goals and measures (Schedule 7-A), the Awardee must respond to the following questions and submit the responses to the Fund as part of its Annual Report.

The Fund will use the Awardee's responses to the Explanation of Noncompliance, its past performance toward meeting the performance benchmark(s), its overall activity levels, and any other information deemed appropriate by the Fund to determine whether the Awardee is in default of its Assistance Agreement for noncompliance with the Performance Goals and measures.

**General questions:**

1. Why did the Awardee fail to meet the Performance Goal and/or measure(s)?
2. What actions are being taken to ensure that the Awardee meets the Performance Goal and/or measure(s) in the future?
3. Does the Awardee expect to meet the Performance Goal and/or measure(s) during the next reporting period? If no, explain why.
4. Will the Awardee require a modification of a Performance Goal and/or measure? If so, explain the modification, including a justification and recommendation for revised language and/or benchmarks.
5. Does the Awardee's failure to meet the Performance Goal and/or measure(s) place the Awardee in violation of any agreement or covenant with any of its other lenders, funders or investors?
6. Are there any elements of the Awardee's Comprehensive Business Plan that it is not achieving?

**Questions specific to Goal 1 (maintain financial and managerial soundness):**

1. Did the Awardee's annual budget for the most recently completed fiscal year, as approved by the Awardee's Board of Directors, anticipate not meeting the Performance Goal and/or measure(s)?
2. How does not meeting the Performance Goal and/or measure(s) affect the Awardee's financial condition?
3. Does the Awardee's failure to meet the Performance Goal and/or measure(s) violate the Awardee's financial management policies? If yes, explain how.
4. Does the Awardee's inability to meet the Performance Goal and/or measure(s) adversely affect the Awardee's ability or plans to leverage other funding sources? If yes, explain how.

5. Does the Awardee expect to meet the Performance Goal and/or measure(s) during the next reporting period? If no, explain why.
7. Will the Awardee require a modification of a Performance Goal and/or measure(s)? If so, explain the modification, including a justification and recommendation for revised language and/or benchmarks.

**Questions specific to Technical Assistance award:**

1. Does the Awardee require any modifications to its authorized uses of Technical Assistance funds? If so, please refer to Schedule 5-A to determine whether the Fund's prior written approval is required. If no modification is required, please explain why (for example, the Awardee does not anticipate deviating from the authorized uses of funds).

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**ANNUAL REPORT:  
SHAREHOLDER REPORT**

The Awardee hereby certifies that the following is complete and correct information on the shareholders of the Awardee as of the date of this Annual Report (including the shareholders' names and the class, series, and number of shares and valuation of capital stock held or to be held by each shareholder). No other class of capital stock of the Awardee is outstanding except as set forth below.

No.	Shareholder	Class/Series	Outstanding Shares	Valuation of Shares
1	Community Development Financial Institutions Fund			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

**IN WITNESS WHEREOF**, I have signed this Certificate in the capacity indicated below as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By: \_\_\_\_\_

Name:

Title:

**Schedule 7-F**  
**Award No.:**  
**Awardee:**

**USES OF TECHNICAL ASSISTANCE REPORT**

Using the chart below, the Awardee must report on its uses of the Technical Assistance each fiscal year of its performance period, including those dollars that have been allocated to or expended by an Affiliate or Subsidiary. Complete the chart by filling in the use of the Technical Assistance for the specific fiscal year of the Performance Period. Please refer to Schedule 5-A (Authorized Uses of Technical Assistance).

**Total TA Award:** \$ \_\_\_\_\_

<b>Performance Period: FY ____</b>				
<b>Category of Use</b>	<b>Description of Authorized Use</b>	<b>Dollar Amount of Authorized Use</b>	<b>Total TA Dollar Amount Expended During Fiscal Year</b>	<b>Activity/Use Complete? (Y/N)*</b>
<b>Consulting</b>				
<b>Training</b>				
<b>Technology</b>				
<b>Other</b>				

If the Awardee is not a certified CDFI, explain how the TA funds expended during the Performance Period are being used to assist the Awardee to meet CDFI certification requirements.

\* If the activity or use is not yet complete, explain when and how the Awardee will complete the activity/authorized use.

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**SUBSEQUENT DISBURSEMENTS:**  
**CERTIFICATION OF PERFORMANCE AND**  
**REPRESENTATIONS AND WARRANTIES:**  
**CERTIFICATION OF MATCHING FUNDS**

I, the Authorized Representative of the Awardee, do hereby certify on behalf of the Awardee:

1. The Awardee has performed and complied with all applicable agreements and conditions required by the Assistance Agreement to be performed or complied with by it before or at the Closing.
2. The representations and warranties set forth in the Assistance Agreement and the Assurances and Certifications contained in the Application are true and correct in all material respects as of the date hereof and as of the Effective Date.
3. Funds not used by the Awardee as Matching Funds for purposes of the Assistance Agreement have not been used by the Awardee to satisfy a legal requirement under another Federal grant or award program. To the extent that the Awardee has expended any of the Matching Funds prior to the execution of the Assistance Agreement, any such expenditure of the Matching Funds promoted the purpose of the Awardee's Comprehensive Business Plan.
4. The funds described on Schedule 3-C, "Matching Funds Analysis," (a) have been received by the Awardee and (b) satisfy all Matching Funds requirements set forth in 12 CFR § 1805.500 et seq. and the NOFA.
5. All information contained in or attached to this Certificate is true, accurate and complete.

**IN WITNESS WHEREOF**, I have signed this Certificate in the capacity indicated below as of this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By: \_\_\_\_\_

Name:

Title:



Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**REPRESENTATIONS AND WARRANTIES: LOAN**

The Awardee hereby certifies:

1. Issuance of the Note. Subject to the terms and conditions hereof and in reliance upon the representations and warranties contained herein, the Awardee agrees to issue to the Fund the Promissory Note as evidence of the loan in the aggregate principal amount of \$\_\_\_\_\_. The aggregate principal amount of the Note shall be due and payable in full \_\_\_\_\_ years from the date of the Note. The Note shall bear interest at a rate per annum (computed on the basis of the actual number of days elapsed over a year of 360 days) equal to \_\_\_\_\_, which shall be payable \_\_\_\_\_. When signed, the Note shall be made a part hereof and the Fund shall have full recourse against the Awardee.
2. The Fund may, at any time, assign or sell this Note, provided the Fund retains the power to enforce any agreements, covenants and other obligations of the Awardee hereunder until such time as the Awardee shall have achieved all of its Performance Goals.
3. Authorization and Legality of the Note. The Note has been duly and validly executed and authorized, and the issuance of the Note to the Fund pursuant to this Agreement has been duly executed and authorized by the board of directors of the Awardee. No further authorization or approval is required for the issuance of the Note as contemplated herein. When delivered to the Fund, the Note will be validly issued.
4. The Offering. Neither the Awardee nor anyone acting on its behalf has directly or indirectly offered the Note, for issuance to the Fund, any part thereof, or any similar security of the Awardee, for sale to, or solicited any offer to buy the same from anyone other than the Fund, without registering the Note and other similar securities under State securities laws.
5. Reporting. The Awardee will submit an annual Financial Report to the Fund, in accordance with Schedule 6 of this Assistance Agreement, throughout the term of the Note.

**Schedule 9-B**

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**PROMISSORY NOTE**

\$ \_\_\_\_\_

Washington, DC

Date: \_\_\_\_\_

FOR VALUE RECEIVED, the undersigned, \_\_\_\_\_ (the Awardee hereby promises to pay to the order of the Community Development Financial Institutions Fund, a wholly owned government corporation within the U.S. Department of the Treasury (the Fund), at 601 13<sup>th</sup> Street, NW, Suite 200 South, Washington, DC 20005, or to order, the principal sum of \_\_\_\_\_ (\$ \_\_\_\_\_) (or such lesser amount as shall equal the aggregate unpaid principal amount of the loan disbursed by the Fund to the Awardee under the Assistance Agreement), payable in its entirety at the date of maturity of this promissory note (the Note), \_\_\_\_\_, \_\_\_\_\_ (the Maturity Date).

The Awardee further promises to pay interest at the rate of \_\_\_\_\_ (\_\_\_\_%) per annum, accruing daily from the date hereof on the unpaid principal balance from time to time outstanding on this Note. Interest shall be payable quarterly in arrears on the last day of March, June, September and December of each year until the Maturity Date, beginning \_\_\_\_\_, 200\_. Interest shall be computed on the basis of a year of 360 days comprised of twelve 30-day months and for the actual number of days elapsed in any partial month. The Awardee shall pay to the Fund the outstanding principal amount and all accrued but unpaid interest on the Note on the Maturity Date.

All payments shall be made through electronic funds transfers via the U.S. Treasury Pre-Authorized Debit system as explained in the payment instruction attached as Schedule 9-D to the Assistance Agreement entered into by and between the Awardee and the Fund, and shall be debited from the Awardee's bank account in the amounts and on the dates as described in the payment schedule attached as Schedule 9-C to the Assistance Agreement. The Fund reserves the right to unilaterally amend such payment instructions at any time by providing written notice to the Awardee.

Should a payment due the Fund not be received as and when due within a five (5) calendar day grace period, the Fund will assess a late payment fee equal to five percent (5%) of the payment, which shall be immediately due and payable to the Fund. The Fund will not assess a late payment fee if the cause of the late payment is the fault of the United States Government. The Awardee has the burden of establishing to the reasonable satisfaction of the Fund that any late payment was caused by the United States Government.

No right, power or remedy conferred to the Fund in this Note or the Assistance Agreement, or now or hereafter existing at law or in equity, by statute or otherwise, shall be exclusive, and each such right, power or remedy shall, to the full extent permitted by law, be

cumulative and in addition to every other such right, power or remedy. No course of dealing and no delay in exercising any right, power or remedy conferred to the Fund in this Note or the Assistance Agreement, or now or hereafter existing at law or in equity, by statute or otherwise, shall operate as a waiver of or otherwise prejudice any such right, power or remedy.

Whenever any payment to be made hereunder shall be due on a Saturday, Sunday or public holiday under Federal law, the payment may be made on the next succeeding business day.

The Awardee hereby waives presentment, demand for payment, notice of dishonor, protest and notice of protest of this Note.

The Awardee agrees to perform and comply with each of the covenants, conditions, provisions and agreements of the Awardee contained in the Assistance Agreement. No waiver of any provision of this Note or the Assistance Agreement, made by agreement of the Fund or any other person or party, will constitute a waiver of any other term hereof, or otherwise release or discharge the liability of the Awardee under this Note.

Capitalized terms used herein that are defined in the Assistance Agreement are so used as therein defined.

This Note shall be governed by and construed in accordance with Federal law to the extent Federal law is applicable, and to the extent Federal law is not applicable, this Note shall be governed by and construed in accordance with the laws of the State of incorporation of the Awardee.

Executed as of the day and year first above written.

By: \_\_\_\_\_  
Name:  
Title:

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**LOAN REPAYMENT SCHEDULE**

**[At or about the time that the Fund electronically transfers the loan proceeds to the Awardee's account, the Fund will prepare the Loan Repayment Schedule and send it to the Awardee. At that time, the Loan Repayment Schedule will be inserted in and made a part of this Assistance Agreement.]**

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**PRE-AUTHORIZED DEBIT PAYMENT INSTRUCTIONS: LOANS**

Through the use of preauthorized debits, loan repayments will be debited automatically from the Awardee's bank account in amounts and on dates as shown in the loan repayment schedule (Schedule 9-C).

Complete the attached form, "Authorization Agreement for Pre-Authorized Payments", and return it with the Assistance Agreement.

## AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS

### COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

#### PAPERWORK REDUCTION ACT AND PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). The information requested on the form is required under various provisions of title 15 U.S.C. 1601, 12 CFR 205 and 31 CFR 202, for the purpose of providing authority to the Department of Treasury to designate financial institutions to collect payments, by electronic means, from your account. The information will be used for identification with the records of the government agency and the financial institution to direct your payments to the point you authorize. No deduction may be made unless a signed authorization form is received. Failure to furnish this information may delay or prevent the collection of these payments through the Automated Clearing House System.

#### INDIVIDUAL/COMPANY INFORMATION

INDIVIDUAL/ORGANIZATION NAME: (PLEASE PRINT)

STREET ADDRESS:

CITY/STATE:

ZIP CODE:

TELEPHONE NUMBER:

AREA CODE:

YOUR AGENCY ACCOUNT IDENTIFICATION NUMBER:

TYPE OF PAYMENT:

Recurring (loan payment)

#### AMOUNT COLLECTED WILL BE IN AGREEMENT WITH THE TERMS PRESENTED IN THE PROMISSORY NOTE.

I hereby authorize the initiation of a deduction from my account and the financial institution named below to debit such account. I understand I will be notified if the debit amount needs to be adjusted, either to be increased or decreased. I also understand that I have the right to stop automatic payment by notifying my financial institution in writing three days prior to the time my account is charged.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

#### FINANCIAL INSTITUTION INFORMATION

FINANCIAL INSTITUTION NAME:

STREET ADDRESS:

CITY/STATE:

ZIP CODE:

NINE- DIGIT ROUTING TRANSIT NUMBER:

\_\_\_\_ \_

ACCOUNT TITLE:

ACCOUNT NUMBER: \_\_\_\_\_ CHECKING \_\_\_\_\_ SAVINGS

SIGNATURE AND TITLE OF REPRESENTATIVE:

TELEPHONE NUMBER:

AREA CODE:

DATE:

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**OTHER LOAN DOCUMENTATION**

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**REPRESENTATIONS AND WARRANTIES: EQUITY INVESTMENT**

The Awardee hereby certifies:

1. Purchase and Sale of the Stock. The Fund hereby agrees to provide the Financial Assistance as payment in full for an aggregate of \_\_\_\_\_ shares of series \_\_\_\_\_, Nonvoting Convertible Common Stock (the Stock) of the Awardee, \$\_\_\_\_\_ par value per share, \$\_\_\_\_\_ per share purchase price. The Stock shall be transferable, nonvoting stock that provides for voting rights, at the request of the Fund, for any transferee of the Stock. In exchange for the Assistance, the Awardee hereby agrees to issue and sell the Stock to the Fund.
2. Authorization and Legality of the Stock. The board of directors of the Awardee has duly authorized the issuance and sale of the Stock to the Fund to be issued pursuant to the Assistance Agreement, and the certificates evidencing the Stock have been duly executed and delivered by the Awardee. No further approval or authorization of the board of directors or the shareholders of the Awardee will be required for the issuance and delivery of the Stock as contemplated herein. The Stock to be issued hereunder will be, at the time of issuance and delivery, validly issued and outstanding and fully paid and nonassessable. The Stock has been reserved for issuance by all necessary corporate action on behalf of the Awardee. All of the issued and outstanding capital stock of the Awardee has been offered, issued and sold by the Awardee in compliance with the Securities Act of 1933 (the 1933 Act) and State securities laws.
3. The Offering. Neither the Awardee nor anyone acting on its behalf has directly or indirectly offered the Stock to be delivered to the Fund, any part thereof, or any similar security of the Awardee, for delivery to, or solicited any offer to buy the same from, anyone other than the Awardee and the investors to whom such offers can be made without registering the Stock or other similar securities under the Securities Act of 1933 as amended (1933 Act) or State securities laws.
4. Amendment of Articles of Incorporation of Awardee. If the Awardee issues any new class or series of stock, including but not limited to, any Preferred Stock, the rights, preferences, privileges and restrictions granted to and imposed on such new class or series of stock shall not impede the Fund's ability to enforce the remedies available under the Assistance Agreement.
5. Limitations on Fund Equity Investment. The Fund will neither own nor control more than 50 percent of the equity of the Awardee, nor will it control the operations of the Awardee.



6. Authority to Sell Equity Investment. The Fund may, at any time, sell the share(s) of Stock purchased pursuant to the Assistance Agreement; however, the Fund will retain the power to enforce any agreements, covenants and other obligations of the Awardee hereunder until such time as the Fund determines that the Awardee has achieved all of its Performance Goals.
7. Fund Authority to Debit Awardee's Bank Account for Investment Income and Equity Redemption. The Awardee agrees to provide the Fund with the authority to automatically debit the Awardee's bank account for periodic investment income due to the Fund, and for any redemptions of said equity investment.
8. Reporting. The Awardee will submit an annual Financial Report to the Fund, in accordance with Schedule 6 of this Assistance Agreement, throughout the term of the equity investment.

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**STOCK CERTIFICATE**

Attached hereto is the Stock Certificate that evidences the Fund's equity investment in the Awardee.

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**ARTICLES OF INCORPORATION**

The Awardee hereby certifies that the attached articles of incorporation are true, accurate and complete as of the date of the Assistance Agreement.

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**BYLAWS**

The Awardee hereby certifies that the attached bylaws are true, accurate and complete as of the date of the Assistance Agreement.

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**CAPITALIZATION**

The Awardee hereby certifies that: (i) all of its authorized capital stock is set forth below and has been duly authorized, validly issued, and is fully paid and nonassessable; (ii) there are no preemptive rights or similar rights on the part of the holder of shares of capital stock of the Awardee; and (iii) no other class of capital stock of the Awardee is outstanding or authorized except as set forth below:

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**OPTIONS AND WARRANTS**

The Awardee hereby certifies that there are no options, warrants or other rights for the purchase of any shares of capital stock of the Awardee presently outstanding and no authorization therefor is presently in effect, except as set forth below:

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**SHAREHOLDER LIST**

The Awardee hereby certifies that the following is a complete and correct list of the shareholders of the Awardee and of the shareholders of the Awardee as they will exist at the time of the sale, purchase, and delivery of the Stock to be issued and sold pursuant to this Agreement, showing the class, series, and number of shares and valuation of capital stock held or to be held by each shareholder. No other class of capital stock of the Awardee is outstanding except as set forth below.

<b>No.</b>	<b>Shareholder</b>	<b>Class/Series</b>	<b>Outstanding Shares</b>	<b>Valuation of Shares</b>
1	Community Development Financial Institutions Fund			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**PRE-AUTHORIZED DEBIT PAYMENT INSTRUCTIONS: CERTIFICATES OF  
DEPOSIT AND SECONDARY CAPITAL, AND OTHER EQUITY INVESTMENTS**

Through the use of preauthorized debits, dividend or interest payments will be debited automatically from the Awardee's bank account in accordance with the terms of this Assistance Agreement, the related certificate of deposit, stock certificate, secondary capital agreement, or other related document governing the Fund's Assistance.

Complete the attached form, "Authorization Agreement for Pre-Authorized Payments", and return it with the Assistance Agreement.



**AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS**  
**COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND**

PAPERWORK REDUCTION ACT AND PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). The information requested on the form is required under various provisions of title 15 U.S.C. 1601, 12 CFR 205 and 31 CFR 202, for the purpose of providing authority to the Department of Treasury to designate financial institutions to collect payments, by electronic means, from your account. The information will be used for identification with the records of the government agency and the financial institution to direct your payments to the point you authorize. No deduction may be made unless a signed authorization form is received. Failure to furnish this information may delay or prevent the collection of these payments through the Automated Clearing House System.

INDIVIDUAL/COMPANY INFORMATION

INDIVIDUAL/ORGANIZATION NAME: (PLEASE PRINT)

STREET ADDRESS:

CITY/STATE:

ZIP CODE:

TELEPHONE NUMBER:

AREA CODE:

YOUR AGENCY ACCOUNT IDENTIFICATION NUMBER:

TYPE OF PAYMENT:

Recurring (dividend or interest payment)

**AMOUNT COLLECTED WILL BE IN AGREEMENT WITH THE TERMS PRESENTED IN THE PROMISSORY NOTE.**

I hereby authorize the initiation of a deduction from my account and the financial institution named below to debit such account. I understand I will be notified if the debit amount needs to be adjusted, either to be increased or decreased. I also understand that I have the right to stop automatic payment by notifying my financial institution in writing three days prior to the time my account is charged.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

FINANCIAL INSTITUTION INFORMATION

FINANCIAL INSTITUTION NAME:

STREET ADDRESS:

CITY/STATE:

ZIP CODE:

NINE- DIGIT ROUTING TRANSIT NUMBER:

\_\_\_\_\_

ACCOUNT TITLE:

ACCOUNT NUMBER: \_\_\_\_\_ CHECKING \_\_\_\_\_ SAVINGS \_\_\_\_\_

SIGNATURE AND TITLE OF REPRESENTATIVE:

TELEPHONE NUMBER:

AREA CODE:

DATE:

**Schedule 10-I**

**Award No.:** \_\_\_\_\_

**Awardee:** \_\_\_\_\_

**OTHER EQUITY INVESTMENT DOCUMENTATION**

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**TERMS AND CONDITIONS RELATED TO REGULATED INSTITUTIONS**

1. Prior Notice to Appropriate Federal Banking Agency of Sanctions. Prior to imposing or exercising any sanction (s) under Section 6.2 of the Assistance Agreement, the Fund will provide the Appropriate Federal Banking Agency with written notice of the proposed remedy (or remedies). Moreover, the Fund will not impose or exercise any proposed remedy (or remedies) if the Appropriate Federal Banking Agency, in writing, not later than 30 calendar days after receiving the notice from the Fund of any proposed remedy (or remedies) against the Awardee, takes all of the following actions:

- (a) Objects to the proposed remedy (or remedies);
- (b) Determines that the remedy (or remedies) would:
  - (i) Have a material adverse effect on the safety and soundness of the Awardee; or
  - (ii) Impede or interfere with an enforcement action against the Awardee by the Appropriate Federal Banking Agency;
- (c) Proposes a comparable alternative action; and
- (d) Specifically explains:
  - (i) The basis for the determination made pursuant to this section, and, if appropriate, provides documentation to support the determination; and
  - (ii) How the alternative action proposed would be as effective as the remedy (or remedies) proposed by the Fund in securing compliance and deterring future noncompliance.

2. Insured Depository Institution, Depository Institution Holding Companies or Insured Credit Union as Awardee. The provisions of the Act, the CDFI Program Regulations, and the Assistance Agreement shall be enforceable under 12 U.S.C. § 1786, 12 U.S.C. § 1818, and 12 U.S.C. § 1844 by the Appropriate Federal Banking Agency, and any violation of such provisions will be treated as a violation of the Federal Credit Union Act, Federal Deposit Insurance Act, or Bank Holding Company Act, as applicable. Nothing herein shall be construed to preclude the Fund from directly enforcing the Assistance Agreement as provided for hereunder and under the terms of the Act.

3. No Authority to Limit Supervision and Regulation. Nothing herein is intended nor should be construed to affect any authority of the Appropriate Federal Banking Agency to supervise and regulate the Awardee.

Award No.: \_\_\_\_\_

Awardee: \_\_\_\_\_

**AUTOMATED CLEARINGHOUSE (ACH) FORM**

In order to receive disbursement of award proceeds, the Awardee first must provide the Fund with a complete and accurate Automated Clearinghouse (ACH) form related to the bank account into which the Awardee wants the award proceeds deposited via wire transfer. The Awardee is responsible for the accuracy of the banking information it provides on the ACH form. In the event that the Awardee provides inaccurate, non-current or incomplete banking information, the Fund is not responsible for reimbursement or payment to the Awardee for any Assistance transferred to an incorrect account.

Please note that for a Financial Assistance award, the Awardee must establish a separate bank account for the Financial Assistance funds and provide the Fund with the required complete and accurate ACH form for that separate bank account prior to Closing and disbursement.